

CANSORTIUM INC.

(the “Company” or the “Issuer”)

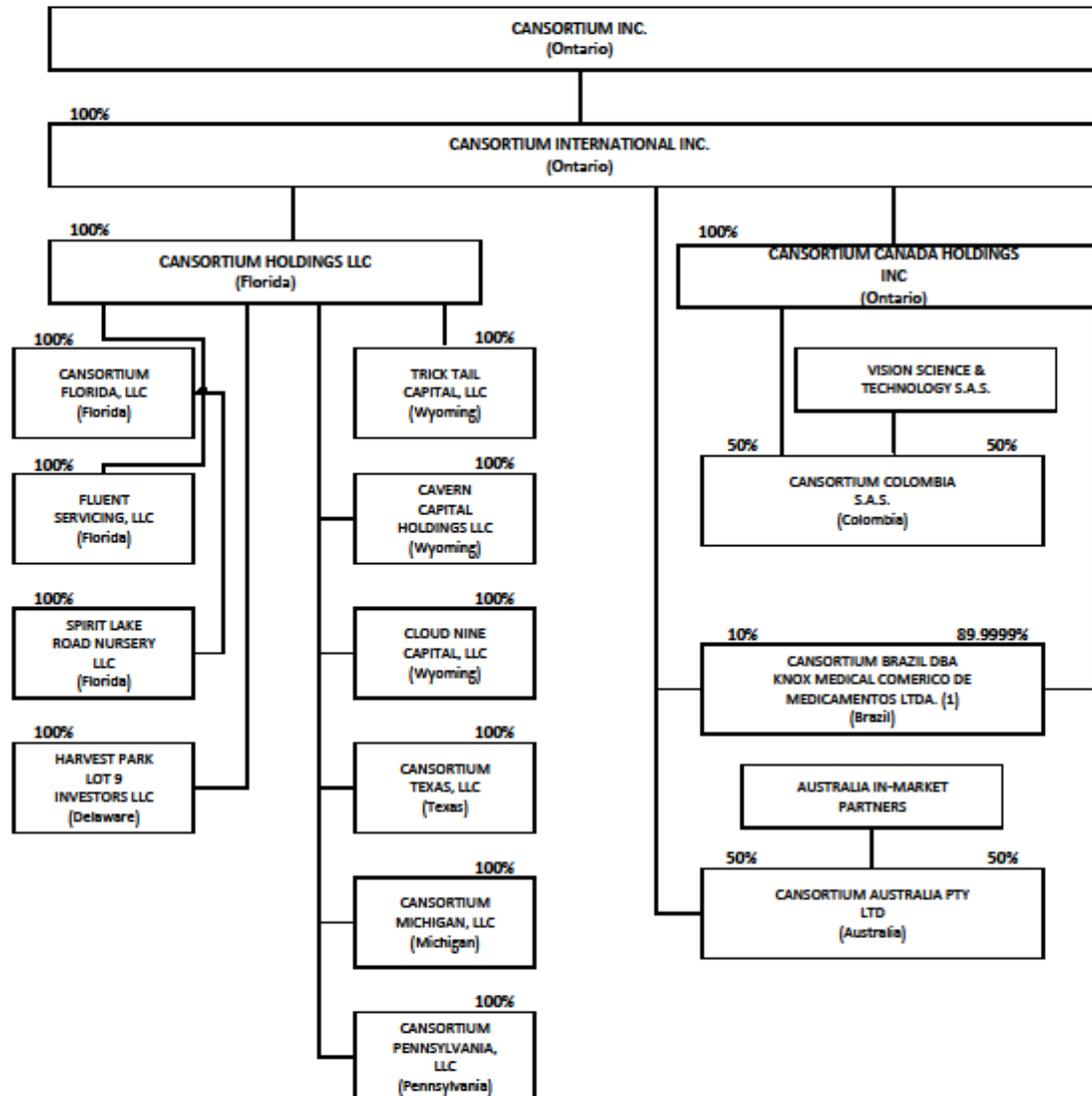
Form 2A
LISTING STATEMENT
June 19, 2020

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	Corporate Structure	
	2.1 Name	CANSORTIUM INC.
	2.2 Incorporating Statute	The Company was incorporated under the laws of the Province of Ontario, Canada pursuant to the <i>Business Corporations Act (Ontario)</i> on August 31, 2018.

2.3 Intercorporate Relationships



	Information Required by Form 2A Listing Statement	Issuer Response
	2.4 Requalifying / Fundamental Change	Not applicable
	2.5 Non-corporate / non-Canadian Issuers	Not applicable
3.	<p>General Development of the Business</p> <p>3.1 Development of business over past 3 financial years (and subsequent period)</p>	<p>Cansortium Inc. was incorporated under the laws of the Province of Ontario, Canada pursuant to the Ontario Business Corporations Act (“OBCA”) on August 31, 2018. The Company’s registered office is located at 295 The West Mall, Suite 600, Toronto, Ontario, M9C 4Z4 and its head office is located at 82 North East 26th Street, Suite 110, Miami, Florida, United States, 33137.</p> <p>On March 22, 2019, the Company acquired all shares of Cansortium Holdings LLC (“Cansortium Holdings”), in connection with the Company’s initial public offering and listing on the Canadian Securities Exchange. The Company’s shares are listed on the Canadian Securities Exchange (“CSE”) under the trading symbol “TIUM.U” and on the OTCQB Venture Market under the trading symbol “CNTMF”.</p> <p>The Company, through its subsidiaries, is licensed to produce and sell medical cannabis in Florida and Texas and is licensed to sell medical cannabis in Pennsylvania.</p> <p>Knox Servicing, LLC (“Knox Servicing”), subsidiary formed in 2015 for the purpose of cultivating, manufacturing and retailing in the cannabis industry, operates cultivation and production facilities in Florida, producing various products ranging from oral drops, capsules, suppositories, topicals, syringes, dried flower, pre-roll and cartridges. On August 15, 2018, Cansortium Holdings acquired the remaining interest in Knox Servicing, becoming the sole owner. During 2019, Knox Servicing changed its name to Fluent Servicing, LLC (“Fluent Servicing”). Fluent Servicing owned and operated eighteen dispensaries in the state of Florida as of December 31, 2019.</p> <p>The Company, through its wholly-owned subsidiary Cansortium Brazil Ltda. (“Cansortium Brazil”), obtained a permit for a Pharmaceutical Industry and Distribution License in Brazil, issued by the National Health Surveillance Agency (“ANVISA”), and has an exclusive distribution agreement with a pharmacy supply company in Brazil, Distribuidora de Medicamentos Santa Cruz Ltda.</p> <p>The Company, through its subsidiary Cansortium Australia Pty. Ltd (“Cansortium Australia”), submitted an application process to the Office of Drug Control in Australia to be fully licensed for cannabis cultivation, production and export and submitted an application to the New South Wales</p>

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		<p>Biosecurity License to be able to grow industrial hemp and process seeds. On February 5, 2020, Consortium Australia was issued a cultivation and manufacturing license from the Office of Drug Control.</p> <p>During the year ended December 31, 2019, the Company discontinued its operations in Puerto Rico, Canada and Colombia and, as a result, classified the assets and liabilities associated with these operations as held for sale, measured at the lower of carrying amount and fair value less costs to sell, and has disclosed such assets separately in the statement of financial position (See Note 7). Discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the consolidated statements of operations.</p> <p>All of the Company's operations are in one segment, the production and sale of medical cannabis. All revenues for the years ended December 31, 2019 and 2018 were generated in the United States.</p> <p>The Company has recorded a net loss of \$65,645 on its consolidated statement of operations, a negative cash flows from operations of \$22,679 during the year ended December 31, 2019 and, as of that date, the Company had an accumulated deficit in the amount of \$123,785.</p> <p>In October 2019, the Company's Board of Directors established a special committee comprised of its three independent directors and engaged financial and legal advisors to assist in developing and implementing a series of strategic reorganization and growth initiatives. The primary goals of these on-going initiatives are:</p> <ul style="list-style-type: none"> • to drive sustainable, profitable growth in the Company's core market of Florida by allocating the necessary capital to expand the number of dispensaries in the state, and • to increase the Company's operational flexibility and liquidity necessary to expand its cultivation and dispensary footprints in the highly attractive markets of Michigan, Texas and Pennsylvania. <p>During the fourth quarter of 2019, following its comprehensive review of Consortium's corporate structure and management positions, the Board approved the implementation of cost saving initiatives that resulted in more than \$4.5 million of aggregate annualized savings through reductions in the workforce, elimination of senior management positions and reductions in executive management compensation. Also, consistent with its refocused growth strategy, the Company decided to discontinue its operations in Puerto Rico, Canada and Colombia.</p> <p>By more effectively deploying its capital to U.S. markets in which it has existing operations and that present actionable near-term opportunities to achieve scale, the Company believes that its refocused strategy is enabling it to make significant progress toward achieving sustainable, profitable growth. Since December 31, 2019, the company has expanded its operations to include 20 Florida dispensaries and has an additional six (6) Florida dispensaries in various stages of construction and regulatory approval that it expects to open during 2020.</p> <p>Based on preliminary operating results through the first quarter of 2020 and its projections for the remainder of the year, the Company currently anticipates full year 2020 revenues of between approximately \$55 million and \$60 million and Adjusted EBIDTA of more than \$15 million.</p>

Information Required by Form 2A Listing Statement	Issuer Response
3.2 Significant Acquisitions and Dispositions	<p><u>ACQUISITIONS</u></p> <ul style="list-style-type: none"> - None <p><u>DISPOSITIONS or PROPOSED DISPOSITIONS</u></p> <p><u>Puerto Rico</u></p> <p>The Company began operations in Puerto Rico in the fourth quarter of 2016 and discontinued them during the year ended December 31, 2019 as part of its strategic decision to focus its resources on opportunities in the U.S. cannabis markets. Accordingly, the assets and liabilities associated with its Puerto Rican business are classified as held for sale on the Company's December 31, 2019 financial statements.</p> <p>As of April 30, 2020, the Issuer sold its non-core assets in Puerto Rico for approximately \$670,000.</p> <ul style="list-style-type: none"> - Payment made in full on April 30, 2020. - Valuation = Fair Market Value - Disposition was not made to a Related Person of the Issuer <p><u>Canada</u></p> <p>In November 2017, the Company acquired all the issued and outstanding shares of Consortium Canada. Consortium Canada received a license under the <i>Cannabis Act</i> (Canada) on May 3, 2019 that allows for the cultivation, production, and sale of cannabis for medical purposes. In connection with this acquisition, Consortium Canada also entered into an agreement of purchase and sale for the acquisition of a 54-acre parcel of land, which acquisition closed on March 15, 2019. Consortium Canada also entered into a lease agreement for 130,000 sq. ft. of existing greenhouses that were successfully used in the past for Medical Marihuana Access Regulations ("MMAR") production and is conducive to large scale cannabis cultivation and has an option to purchase such property.</p> <p>The Canada cannabis market has not developed as rapidly or as profitably as originally expected. Therefore, during the year ended December 31, 2019, the Board and management decided to discontinue the Company's Canadian operations in order to reduce operating expenses and focus the Company's capital on the highest-return opportunities, in U.S. markets. Accordingly, the assets and liabilities associated with its Canadian business are classified as held for sale on the Company's December 31, 2019 financial statements.</p> <p><u>Colombia</u></p> <p>On August 24, 2018, the Company acquired 100% of the issued and outstanding shares of a company in Colombia, Consortium Colombia S.A.S., and secured licenses for the cultivation, production, research and development in Colombia and domestic sales and export of medical cannabis. As the Colombia market has not developed as originally expected, the Board and management decided to discontinue the Company's</p>

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		<p>Colombian operations during the year ended December 31, 2019 in order to reduce operating expenses and focus the Company's capital in U.S. markets. Accordingly, the assets and liabilities associated with its Colombian business are classified as held for sale on the Company's December 31, 2019 financial statements.</p>
	<p>3.3 Material trends, commitment, event, uncertainty</p>	<p>COVID-19 Economic Impact on the Company's Business</p> <p>Beginning in February 2020, various U.S. States began to implement progressively restrictive guidelines on social interactions and business operations in an effort to slow the spread of the global COVID-19 pandemic. In Florida, where the Company currently generates the vast majority of its revenues, medical cannabis was deemed one of several "Essential Businesses" by Florida Governor Ron DeSantis as part of his April 3, 2020 Stay-At-Home order. As a result, all of the Company's 20 Florida dispensaries and cultivation facilities have been able to remain open to serve Florida's medical cannabis patients during the pandemic. The Company has experienced increased consumer demand and has hired additional temporary employees and expanded working hours of existing employees in response.</p> <p>To support slowing the spread of COVID-19 through its own operations and its interactions with medical cannabis patients, each of the Company's dispensaries has modified its operations to limit customer engagement to express pick-up orders, including curbside and drive-through pick-up, as well as home delivery. In addition, the Company has implemented incremental cleaning and sanitation procedures in accordance with Federal, State and local health guidelines, as well as social distancing protocols, at each of its dispensaries, cultivation and production operations. The Company has adopted a work-from-home model for a significant portion of its corporate office staff, has curtailed travel for in-person meetings, and has implemented other safety precautions to protect the health and safety of its employees and the public.</p>
4.	<p>Narrative Description of the Business</p> <p>4.1 Description of business</p> <p>4.1(1)(a) Objectives within 12-month period</p>	<p>The objective of the business is the development of a vertical integrated approach (seed- to-sale) for the sale and distribution of processed cannabis oil in, to date, medical use frameworks. Cannabis is a flowering plant from which marijuana products (buds, leaves and oil) are derived.</p> <p>The Company has direct operations and involvement in the cultivation, processing and sale of cannabis in select states in the United States and to date has focused on the medical cannabis markets in the United States. Excluding U.S. federal law, the Company will not operate in jurisdictions that have not legalized cannabis.</p> <p>Since December 31, 2019, the Company has expanded its operations to include 20 Florida dispensaries and has an additional six (6) Florida dispensaries in various stages of construction and regulatory approval that it expects to open during 2020. In addition, in collaboration with its in-market partner in Michigan, the Company expects to initiate sales from its 2019 harvest from its Michigan cultivation facility to wholesale customers in that market during the second quarter of 2020.</p> <p>The Company is currently formulating plans to prepare for an anticipated increase in the size of the addressable market in Texas.</p>

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		<p>Based on preliminary operating results through the first quarter of 2020 and its projections for the remainder of the year, the Company currently anticipates full year 2020 revenues of between approximately \$55 million and \$60 million and Adjusted EBIDTA of more than 15 million.</p> <p>Depending on the timing of expansion, key acquisitions and strategic relationships, the above annual revenue amounts and corresponding Adjusted EBITDA could produce additional year-over-year improvement.</p>
	<p>4.1(1)(b) Significant event or milestone that must occur for business objectives to be accomplished, time period for occurrence and costs related to each event</p>	<p>The foregoing financial targets and guidance for 2020 are based on the following assumptions, among others:</p> <ul style="list-style-type: none"> • 2020 revenue and/or capital recapture from the Michigan operation from both the 2019 and 2020 harvests. • The Florida operation is expected to have a full year of retail dispensary activity in 2020 in twenty (20) locations. • The Pennsylvania operation is expected to have a full year of dispensary activity in one (1) location in 2020, with plans to open two (2) additional locations by 2021.
	<p>4.1(1)(c) Total funds available and breakdown of funds</p>	<p>The Company had a cash balance of \$2,516,000 as of December 31, 2019. The use of these funds is to fund expansion in markets where the Company has an established footprint and market share.</p> <p>The Company's preliminary consolidated working capital as of December 31, 2019 was negative \$4,500,000.</p>
	<p>4.1(1)(d) Principal purposes for which funds will be used</p>	<ul style="list-style-type: none"> • Expand cultivation space in Florida to meet current and anticipated demand • Invest in equipment to continue to improve on production efficiency and manufacturing capacity
	<p>4.1(2)(a) Methods of distribution</p>	<p>In Florida, the Company's products are sold only through its dispensaries to registered medical marijuana patients in the state.</p>

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	and principal markets for products and services	In Pennsylvania, the Company sources its products from growers and processors in Pennsylvania for sale in the Company's dispensary to registered medical marijuana patients in the state. In Texas, the Company distributes its products through home-delivery to patients registered medical marijuana patients in the state.
	4.1(2)(b) Information concerning production and sales	Revenues associated with this category were zero for the two most recent completed financial years.
	4.1(2)(c) Information concerning the development of products and services	Not applicable
	4.1(3)(a) Proposed method of providing services	Not applicable
	4.1(3)(b) Lease or Mortgage Information	The Company has entered into leases for its each of its cultivation, processing and dispensary facilities.
	4.1(3)(c) Specialized skill and knowledge requirements	Not applicable
	4.1(3)(d) Sources, pricing and availability of raw materials,	Not applicable.

	Information Required by Form 2A Listing Statement	Issuer Response
	component parts or finished products	
	4.1(3)(e) Intellectual property, Intangibles	The Company has applied for trademark registration for CANSORTIUM and FLUENT in the United States.
	4.1(3)(f) Seasonality of the business	Not applicable
	4.1(3)(g) The impact on operations of termination or renegotiation of contracts in the 12 months following the date of the Listing Statement	<p>In October 2019, the Company reduced its workforce resulting in \$4.5 million of annualized savings and eliminated its severance obligations in several executive employment agreements.</p> <p>In November 2019, the Company reached an agreement with its co-founders and two other former senior executives for their immediate return of more than 28 million shares of stock, in aggregate, representing approximately 14 percent of Consortium's outstanding shares on an as-converted basis.</p> <p>In January 2020, the Company amended the terms of its existing \$12.9 million Promissory Note due December 1, 2020 (the "Amended Note") and satisfied its other obligations due to the lender under the Amended Note's original terms. The Amended Note has no amortization, does not begin paying cash interest until April 1, 2020, matures on December 1, 2022 and is exchangeable into common shares at any time at a price of \$0.60 per share. Over \$12.0 million of other contingent liabilities have been restructured using shares previously returned by the Company's founders, significantly reducing the Company's liabilities without dilution to existing shareholders.</p>
	4.1(3)(h) The impact of environmental protection requirements	<p><i>The Company's and its subsidiaries' operations are subject to environmental regulation in the various jurisdictions in which they operate.</i></p> <p>These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.</p>

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		<p>Government environmental approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from its proposed business activities or from proceeding with the development of its operations as currently proposed.</p> <p>Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, and/or remedial actions. The Company and its subsidiaries may be required to compensate those suffering loss or damage due to its operations and may have civil and/or criminal fines or penalties imposed for violations of applicable laws or regulations.</p>
	4.1(3)(i) Number of employees	Number of Employees = 331
	4.1(3)(j) Foreign operations risks	<p><i>Reliance on International Advisors and Consultants</i></p> <p>The legal and regulatory requirements in the foreign countries in which the Company operates with respect to the cultivation and sale of cannabis, banking systems and controls, as well as local business culture and practices, differ from those in Canada. The Company's officers and directors must rely, to a great extent, on local legal counsel and consultants in order to keep apprised of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist with governmental relations. The Company must rely, to some extent, on those members of management and the board of directors who have previous experience working and conducting business in these countries, if any, in order to enhance its understanding of and appreciation for the local business culture and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of the cultivation and sale of cannabis as well as in respect of banking, financing, labour, litigation and tax matters in these jurisdictions. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond its control. The impact of any such changes may adversely affect the Company's business.</p> <p><i>Investments in emerging markets are subject to heightened risk as compared to investments in developed markets</i></p> <p>Emerging market investment generally poses a greater degree of risk than investment in more mature developed markets because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.</p> <p>We intend to derive an increasing portion of our revenue from emerging markets (such as South America and Eastern Europe). Our operations in these countries are exposed to political and economic risk, including risks relating to change in government policy. We are accordingly subject to a number of risks stemming from exchange-rate controls, change in exchange rates, inflation, problems with the repatriation of foreign earnings, dividends and investment capital (which would hinder the payment of dividends or other distributions to shareholders), as well as political instability in these countries.</p>

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		<p>Global economic crises could negatively affect investor confidence in emerging markets or the economies of countries in South America or Eastern Europe. Such events could materially and adversely affect the Company's business, financial condition and results of operations.</p> <p>In addition, we may find ourselves unable to defend our rights appropriately before the courts of these countries, particularly within the framework of litigation with the state or with state-controlled entities.</p> <p>Investments in emerging markets are subject to heightened risks and the Company may be adversely affected by, among other things, the following risks associated with emerging market economies:</p> <ul style="list-style-type: none"> • political and social instability; • government involvement, including, but not limited to, currency controls and risk of expropriation; • securities markets that are less liquid and which operate under different trading and market regulations; • difficulties in enforcing contractual rights; • currency volatility; • risk of high inflation; • infrastructure issues; • arbitrary and sudden changes to laws; • corruption, bribery, civil arrest, all of which may negatively impact and disrupt business operations; • greater susceptibility to commodity prices; and • greater susceptibility to the economic performance of trading partners. <p>The systems of corporate governance to which companies in emerging markets are subject may be less advanced than that to which Canadian issuers are subject. Therefore, shareholders in such companies may not receive many of the protections available to shareholders in Canada.</p> <p>Securities laws in many emerging market countries are relatively new and unsettled. In addition, laws regarding foreign investment in emerging market securities, securities regulation, title to securities and shareholder rights may change quickly and unpredictably. Further, the enforcement of systems of taxation at federal, regional and local levels in emerging market countries may be inconsistent and subject to sudden change.</p> <p>A crisis in other emerging markets countries could dampen investor enthusiasm for securities of issuers with emerging market operations. Investments in foreign markets also carry potential exposure to the risk of political upheaval, acts of terrorism and war, and/or expropriation by governments; all of which could have an adverse impact on the value of the securities.</p> <p><i>Difficulty in Enforcement of Judgments</i></p> <p>We are a holding company and the majority of our assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company's subsidiaries, including judgments predicated upon the civil liability provisions of</p>

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		<p>applicable Canadian securities laws. Investors may be effectively prevented from pursuing remedies against the Company's subsidiaries under Canadian securities laws or otherwise.</p> <p>The Company has subsidiaries incorporated in Colombia, Brazil, and Australia. Certain directors and officers, including our Chief Executive Officer, Chief Financial Officer and Chief Operating Officer, reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of our directors or officers for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors and officers not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in Colombia, Brazil, and Australia.</p> <p>Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a court in an international jurisdiction agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the international jurisdiction.</p>
	4.1(3)(k) Dependence on contracts	<p>The Company is dependent upon its licenses for its ability to grow, store and sell medical cannabis and other products derived therefrom in the jurisdictions where licensing is required and such licenses are subject to ongoing compliance, reporting requirements and renewal.</p> <p>Although the Company believes it will meet the requirements for future renewals of its licenses, there can be no guarantee that government bodies will renew any applicable license or, if renewed, that such licenses will be renewed on the same or similar terms or that regulatory authorities will not revoke any licenses. Should the Company or any subsidiaries fail to comply with the requirements of an applicable license or should a regulatory authority not renew a license when required, or renew an applicable license on different terms or revoke a license, there would be a material adverse effect on the Company's business, financial condition and results of operations.</p> <p>Government licenses are currently, and in the future may be, required in connection with the Company's and its subsidiaries' operations, in addition to other unknown permits and approvals which may be required. To the extent such permits and approvals are required and not obtained, the Company and its subsidiaries may be prevented from operating and/or expanding their business, which could have a material adverse effect on the Company's business, financial condition and results of operations.</p>
	4.1(3)(l) The impact on operations of termination or renegotiation	<p>In January 2020, the Company amended the terms of its existing \$12.9 million Promissory Note due December 1, 2020 (the "Amended Note") and satisfied its other obligations due to the lender under the Amended Note's original terms. The Amended Note has no amortization, does not begin paying cash interest until April 1, 2020, matures on December 1, 2022 and is exchangeable into common shares at any time at a price of \$0.60 per share. Over \$12.0 million of other contingent liabilities have were restructured using shares previously returned by the Company's founders, significantly reducing the Company's liabilities without dilution to existing shareholders.</p>

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	of contracts in the current financial year	
	4.1(4) Competitive conditions in principal markets and competitive advantage	There are currently 22 medical marijuana treatment center licenses issued in the state of Florida, up from 14 when the initial listing statement was filed.
	4.1(5) Lending operations, investment policies and lending and investment restrictions	Not applicable
	4.1(6) Bankruptcy, receivership or similar proceedings	Not applicable
	4.1(7) Material reorganization	<p>Prior to March 15, 2019, the Company and Consortium LLC completed certain reorganization transactions (collectively the "Reorganization"). As part of the Reorganization, a new Ontario corporation, Consortium ExchangeCo Inc. ("Newco 1") was incorporated to effect a unit for share exchange with the current unitholders of Consortium LLC, and a second new Ontario corporation, Consortium International Inc. ("Newco 2") was incorporated as a wholly owned subsidiary of the Company and amalgamated with Newco 1, pursuant to a three-corner amalgamation, to form the new amalgamated corporation ("Amalco").</p> <p>As a result of the Amalgamation, all of the issued and outstanding shares of Newco 1 were cancelled and Amalco became a wholly-owned subsidiary of the Company.</p> <p>Upon the completion of the Reorganization, the senior management and board of directors of Amalco remained the same.</p> <p>There are no material reorganizations anticipated for the upcoming financial year.</p>

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	4.1(8) Social or environmental policies	Not applicable
	4.2 Disclosure by issuers with asset backed securities	Not applicable
	4.3 Disclosure by issuers with mineral projects	Not applicable
	4.4 Disclosure by issuers with oil and gas operations	Not applicable
5.	Selected Consolidated Financial Information	See Schedule "A"
	5.1 Annual Information – Financial data for the last 3 completed financial years and any subsequent period where financial statements have been prepared,	See Schedule "A"

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	accompanied by discussion	
	5.2 Quarterly Information – for 8 most recently completed quarters	See Schedule “A” See Schedule “A”
	5.3 Dividends – Restrictions on paying dividends and dividend policy	The Company has not declared any cash dividends or distributions for any of our securities and no such dividends or distributions are contemplated for the current financial year or the foreseeable future. As of the date of this Listing Statement, there are no restrictions that prevent the Company from paying dividends on its Shares. The Company currently intends to retain future earnings, if any, to finance the expansion of its business through organic growth acquisitions or joint-venture arrangements. Any future decision to pay dividends on the Company’s Shares will be made by the Board on the basis of the earnings, financial requirements and other conditions existing at such time.
	5.4 Foreign GAAP	N/A
6.	Management’s Discussions and Analysis (“MD&A”) <u>Annual MD&A</u>	See Schedule “A”
	<u>Interim MD&A</u>	N/A
7.	Market for Securities 7.1 Exchanges / quotation / trade reporting systems	1. <u>Canadian Securities Exchange</u> - TIUM.U - TIUM.WT.U

	Information Required by Form 2A Listing Statement	Issuer Response																																																											
8.	Consolidated Capitalization 8.1 Material change and effect on share and loan capital since recently completed fiscal year	No material change and effect on share and loan capital since recently completed fiscal year (2019).																																																											
9.	Options to Purchase Securities 9.1 Options to purchase securities	<table border="1"> <thead> <tr> <th data-bbox="365 699 588 792">Name of Optionee</th> <th data-bbox="588 699 808 792">No. of Optioned Shares⁽¹⁾</th> <th data-bbox="808 699 1031 792">Exercise Price</th> <th data-bbox="1031 699 1253 792">Original Date of Grant</th> <th data-bbox="1253 699 1470 792">Expiry Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 792 588 850">David Abrams</td> <td data-bbox="588 792 808 850">22,222</td> <td data-bbox="808 792 1031 850">US\$2.00</td> <td data-bbox="1031 792 1253 850">March 21, 2019</td> <td data-bbox="1253 792 1470 850">March 21, 2024</td> </tr> <tr> <td data-bbox="365 850 588 909">Neal Hochberg</td> <td data-bbox="588 850 808 909">22,222</td> <td data-bbox="808 850 1031 909">US\$2.00</td> <td data-bbox="1031 850 1253 909">March 21, 2019</td> <td data-bbox="1253 850 1470 909">March 21, 2024</td> </tr> <tr> <td data-bbox="365 909 588 967">John McKimm</td> <td data-bbox="588 909 808 967">22,222</td> <td data-bbox="808 909 1031 967">US\$2.00</td> <td data-bbox="1031 909 1253 967">March 21, 2019</td> <td data-bbox="1253 909 1470 967">March 21, 2024</td> </tr> <tr> <td data-bbox="365 967 588 1026">Todd Buchman</td> <td data-bbox="588 967 808 1026">600,000</td> <td data-bbox="808 967 1031 1026">US\$2.00</td> <td data-bbox="1031 967 1253 1026">March 21, 2019</td> <td data-bbox="1253 967 1470 1026">March 21, 2024</td> </tr> <tr> <td data-bbox="365 1026 588 1084">Brian Lagerwerf</td> <td data-bbox="588 1026 808 1084">7,720</td> <td data-bbox="808 1026 1031 1084">US\$2.00</td> <td data-bbox="1031 1026 1253 1084">March 21, 2019</td> <td data-bbox="1253 1026 1470 1084">March 21, 2024</td> </tr> <tr> <td data-bbox="365 1084 588 1143">Jennifer Weessies</td> <td data-bbox="588 1084 808 1143">7,720</td> <td data-bbox="808 1084 1031 1143">US\$2.00</td> <td data-bbox="1031 1084 1253 1143">March 21, 2019</td> <td data-bbox="1253 1084 1470 1143">March 21, 2024</td> </tr> <tr> <td data-bbox="365 1143 588 1201">Ascendant Alternative Strategies, LLC</td> <td data-bbox="588 1143 808 1201">300,000</td> <td data-bbox="808 1143 1031 1201">US\$2.00</td> <td data-bbox="1031 1143 1253 1201">March 21, 2019</td> <td data-bbox="1253 1143 1470 1201">March 21, 2024</td> </tr> <tr> <td data-bbox="365 1201 588 1260">Querrey Group, LLC</td> <td data-bbox="588 1201 808 1260">200,000</td> <td data-bbox="808 1201 1031 1260">US\$2.00</td> <td data-bbox="1031 1201 1253 1260">March 21, 2019</td> <td data-bbox="1253 1201 1470 1260">March 21, 2024</td> </tr> <tr> <td data-bbox="365 1260 588 1318">Alan Feldman</td> <td data-bbox="588 1260 808 1318">20,000</td> <td data-bbox="808 1260 1031 1318">US\$0.44</td> <td data-bbox="1031 1260 1253 1318">December 31, 2019</td> <td data-bbox="1253 1260 1470 1318">The date that is 2 years from the Grant Date.</td> </tr> <tr> <td data-bbox="365 1318 588 1409">Neal Hochberg</td> <td data-bbox="588 1318 808 1409">540,000</td> <td data-bbox="808 1318 1031 1409">US\$0.44</td> <td data-bbox="1031 1318 1253 1409">December 31, 2019</td> <td data-bbox="1253 1318 1470 1409">The earlier of: (i) the date that is 30 calendar days following the date on which</td> </tr> </tbody> </table>					Name of Optionee	No. of Optioned Shares ⁽¹⁾	Exercise Price	Original Date of Grant	Expiry Date	David Abrams	22,222	US\$2.00	March 21, 2019	March 21, 2024	Neal Hochberg	22,222	US\$2.00	March 21, 2019	March 21, 2024	John McKimm	22,222	US\$2.00	March 21, 2019	March 21, 2024	Todd Buchman	600,000	US\$2.00	March 21, 2019	March 21, 2024	Brian Lagerwerf	7,720	US\$2.00	March 21, 2019	March 21, 2024	Jennifer Weessies	7,720	US\$2.00	March 21, 2019	March 21, 2024	Ascendant Alternative Strategies, LLC	300,000	US\$2.00	March 21, 2019	March 21, 2024	Querrey Group, LLC	200,000	US\$2.00	March 21, 2019	March 21, 2024	Alan Feldman	20,000	US\$0.44	December 31, 2019	The date that is 2 years from the Grant Date.	Neal Hochberg	540,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which
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						the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		John McKimm	540,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		David Abrams	540,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Todd Buchman	2,000,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Samantha Senne	500,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Marcos Pedreira	500,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Natalia Velasco	150,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which

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						the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Oswaldo Graziani	100,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Mark Batievsky	100,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Eric Exelbert	100,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Maria Velandia	50,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Chadwick Martin	50,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Jonathan Mitchell	75,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which

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						the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Jorge Ferra Hernandez	100,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Jonathan Ramirez	100,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Christine Senne	50,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Ingrid Bermudez	25,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Charles Carlson	75,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Eric Byron	10,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which

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		Mariangela Gallesi	10,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Rene Cancel Diaz	10,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Ricardo Sabatino	25,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Stephanie Johnston	25,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		Rachel Monroe	10,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
		John Maloy	50,000	US\$0.44	December 31, 2019	The earlier of: (i) the date that is 30 calendar days following the date on which

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						the individual ceases to hold his/her position; and (ii) the date that is 5 years from the Grant Date.
10	<p>Description of the Securities</p> <p>10.1 Description of all material attributes and characteristics of each class of equity securities</p>	<p>The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Proportionate Voting Shares. Each Proportionate Voting Share is convertible, at the option of the holder, into 10 Common Shares.</p> <p>Generally, the Common Shares and Proportionate Voting Shares have the same rights, are equal in all respects and are treated by the Corporation as if they were shares of one class only. Proportionate Voting Shares, or fractions thereof, may at any time, at the option of the holder and subject to certain restrictions, be converted into Common Shares at a ratio of ten (10) Common Shares per Proportionate Voting Share. Prior to conversion, each Proportionate Voting Share, or fraction thereof, carries ten (10) votes per share (compared to one vote per Common Share) and is entitled to dividends and liquidation distributions in an amount equal to ten (10) times the amount distributed in respect of each Common Share.</p> <p>If an offer is being made for Proportionate Voting Shares (a “PVS Offer”) where: (i) by reason of applicable securities legislation or stock exchange requirements, the offer must be made to all holders of the class of Proportionate Voting Shares; and (ii) no equivalent offer is made for the Common Shares, the holders of Common Shares have the right, pursuant to the Articles, at their option, to convert their Common Shares into Proportionate Voting Shares for the purpose of allowing the holders of the Common Shares to tender to such PVS Offer, provided that such conversion into Proportionate Voting Shares will be solely for the purpose of tendering the Proportionate Voting Shares to the PVS Offer in question and that any Proportionate Voting Shares that are tendered to the PVS Offer but that are not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Common Shares that existed prior to such conversion.</p> <p>In the event that holders of Common Shares are entitled to convert their Common Shares into Proportionate Voting Shares in connection with a PVS Offer pursuant to (ii) above, holders of an aggregate of Common Shares of less than ten (10) (an “Odd Lot”) will be entitled to convert all but not less than all of such Odd Lot of Common Shares into an applicable fraction of one Proportionate Voting Share, provided that such conversion into a fractional Proportionate Voting Share will be solely for the purpose of tendering the fractional Proportionate Voting Share to the PVS Offer in question and that any fraction of a Proportionate</p>				

	Information Required by Form 2A Listing Statement	Issuer Response
		Voting Share that is tendered to the PVS Offer but that is not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Common Shares that existed prior to such conversion.
	10.2 Description of debt securities being listed, if any	Not applicable
	10.4 Description of other securities being listed	Not applicable
	10.5 Modification of terms or amendment or variation of any rights attached to securities being listed	Not applicable
	10.6 Limitations or qualifications on rights attaching to securities being listed as a result of other classes of securities	<p>The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Proportionate Voting Shares. Each Proportionate Voting Share is convertible, at the option of the holder, into 10 Common Shares.</p> <p>Generally, the Common Shares and Proportionate Voting Shares have the same rights, are equal in all respects and are treated by the Corporation as if they were shares of one class only. Proportionate Voting Shares, or fractions thereof, may at any time, at the option of the holder and subject to certain restrictions, be converted into Common Shares at a ratio of ten (10) Common Shares per Proportionate Voting Share. Prior to conversion, each Proportionate Voting Share, or fraction thereof, carries ten (10) votes per share (compared to one vote per Common Share) and is entitled to dividends and liquidation distributions in an amount equal to ten (10) times the amount distributed in respect of each Common Share.</p>

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		<p>If an offer is being made for Proportionate Voting Shares (a “PVS Offer”) where: (i) by reason of applicable securities legislation or stock exchange requirements, the offer must be made to all holders of the class of Proportionate Voting Shares; and (ii) no equivalent offer is made for the Common Shares, the holders of Common Shares have the right, pursuant to the Articles, at their option, to convert their Common Shares into Proportionate Voting Shares for the purpose of allowing the holders of the Common Shares to tender to such PVS Offer, provided that such conversion into Proportionate Voting Shares will be solely for the purpose of tendering the Proportionate Voting Shares to the PVS Offer in question and that any Proportionate Voting Shares that are tendered to the PVS Offer but that are not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Common Shares that existed prior to such conversion.</p> <p>In the event that holders of Common Shares are entitled to convert their Common Shares into Proportionate Voting Shares in connection with a PVS Offer pursuant to (ii) above, holders of an aggregate of Common Shares of less than ten (10) (an “Odd Lot”) will be entitled to convert all but not less than all of such Odd Lot of Common Shares into an applicable fraction of one Proportionate Voting Share, provided that such conversion into a fractional Proportionate Voting Share will be solely for the purpose of tendering the fractional Proportionate Voting Share to the PVS Offer in question and that any fraction of a Proportionate Voting Share that is tendered to the PVS Offer but that is not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Common Shares that existed prior to such conversion.</p>												
10.7 Prior Sales		<table border="1"> <thead> <tr> <th data-bbox="365 945 558 1042">Date of issuance</th> <th data-bbox="558 945 737 1042">Type of security issued</th> <th data-bbox="737 945 919 1042">Number of securities issued</th> <th data-bbox="919 945 1102 1042">Price per security (\$)</th> <th data-bbox="1102 945 1285 1042">Value received (\$)</th> <th data-bbox="1285 945 1467 1042">Type of transaction</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 1042 558 1289">7/2/2020 February 7, 2020</td> <td data-bbox="558 1042 737 1289">Units (each Unit is comprised of (1) Common Share and one purchase warrant (each purchase warrant entitling the holder to purchase one (1) additional Common Share at \$0.45 USD up to 3 years from the date of issuance.)</td> <td data-bbox="737 1042 919 1289">10,189,758 Units</td> <td data-bbox="919 1042 1102 1289">\$0.45 USD</td> <td data-bbox="1102 1042 1285 1289">\$4,600,000 USD</td> <td data-bbox="1285 1042 1467 1289">Non-brokered Private Placement</td> </tr> </tbody> </table>	Date of issuance	Type of security issued	Number of securities issued	Price per security (\$)	Value received (\$)	Type of transaction	7/2/2020 February 7, 2020	Units (each Unit is comprised of (1) Common Share and one purchase warrant (each purchase warrant entitling the holder to purchase one (1) additional Common Share at \$0.45 USD up to 3 years from the date of issuance.)	10,189,758 Units	\$0.45 USD	\$4,600,000 USD	Non-brokered Private Placement
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10.8 Stock Exchange Price		Not applicable												

	Information Required by Form 2A Listing Statement	Issuer Response																								
11	<p>Escrowed Securities</p> <p>11.1 Table of escrowed securities</p>	<p>ESCROWED SECURITIES</p> <p>Restricted shares are issued and outstanding shares that are subject to a Company escrow agreement requiring achievement of certain performance or service metrics to release such restrictions. Restricted shares activity for the Company for the year ended December 31, 2019 is as follows:</p> <table border="1" data-bbox="390 557 1390 824"> <thead> <tr> <th></th> <th style="text-align: center;">Restricted shares</th> <th style="text-align: center;">Grant date fair value per unit</th> <th style="text-align: center;">Aggregate intrinsic value</th> </tr> </thead> <tbody> <tr> <td>Balance as of December 31, 2018</td> <td style="text-align: right;">11,166,850</td> <td style="text-align: right;">\$ 2.75</td> <td style="text-align: right;">\$ 30,709</td> </tr> <tr> <td>Granted</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Vested</td> <td style="text-align: right;">(2,169,749)</td> <td style="text-align: right;">2.75</td> <td style="text-align: right;">(5,967)</td> </tr> <tr> <td>Forfeited</td> <td style="text-align: right;">(50,000)</td> <td style="text-align: right;">2.75</td> <td style="text-align: right;">(138)</td> </tr> <tr> <td>Balance as of December 31, 2019</td> <td style="text-align: right;">8,947,101</td> <td style="text-align: right;">\$ 2.75</td> <td style="text-align: right;">\$ 24,605</td> </tr> </tbody> </table> <p>During the year ended December 31, 2019, the 648,545 shares issued for the acquisition of the remaining membership units of Consortium Puerto Rico, LLC and the 1,000,000 issued for the acquisition of Green Standard vested.</p> <p>During the year December 31, 2019, 84,091 restricted shares issued for employee compensation and 437,113 shares issued for professional services vested and 50,000 shares issued for employee compensation forfeited.</p> <p>As of December 31, 2019, there was approximately \$189,000 of total unrecognized employee compensation cost related to non-vested time-based restricted shares that should be recognized as expense.</p> <p>As of December 31, 2019, there was approximately \$1,928,000 of total unrecognized compensation cost related to non-vested restricted shares issued for professional services that are expected to be recognized as expense.</p> <p>As of December 31, 2019, there was approximately \$4,750,000 non-vested restricted shares issued for the acquisition of Green Standard production licenses and retail dispensary licenses.</p>		Restricted shares	Grant date fair value per unit	Aggregate intrinsic value	Balance as of December 31, 2018	11,166,850	\$ 2.75	\$ 30,709	Granted	-	-	-	Vested	(2,169,749)	2.75	(5,967)	Forfeited	(50,000)	2.75	(138)	Balance as of December 31, 2019	8,947,101	\$ 2.75	\$ 24,605
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Balance as of December 31, 2019	8,947,101	\$ 2.75	\$ 24,605																							

	Information Required by Form 2A Listing Statement	Issuer Response																							
12	<p>Principal Shareholders</p> <p>12.1 Principal Shareholders as of specified date not more than 30 days before date of listing</p>	<p>No person will be the direct or indirect beneficial owner of, or exercise control or direction over, more than 10% of the Common Shares and/or Proportionate Voting Shares on an as-converted basis, except for the following:</p> <p>As of May, 5, 2020, to the knowledge of the Directors and executive officers of the Corporation, no person beneficially owns, directly or indirectly, or exercises control over, Shares carrying 10% or more of the voting rights attached to any class of Shares of the Corporation, except as follows:</p> <table border="1" data-bbox="367 548 1549 1078"> <thead> <tr> <th data-bbox="367 548 640 716">Name, Jurisdiction of Residence</th> <th data-bbox="640 548 787 716">Number of Shares ⁽¹⁾⁽²⁾</th> <th data-bbox="787 548 1218 716">Class of Shares</th> <th data-bbox="1218 548 1360 716">Percentage of Class ⁽¹⁾⁽²⁾</th> <th data-bbox="1360 548 1549 716">Percentage of Voting Rights of the Shares</th> </tr> </thead> <tbody> <tr> <td data-bbox="367 716 640 898" rowspan="2">Jose Hidalgo (Pinecrest, Florida)</td> <td data-bbox="640 716 787 808">2,462,169 ⁽³⁾</td> <td data-bbox="787 716 1218 808">Proportionate Voting Shares</td> <td data-bbox="1218 716 1360 808">24.2%</td> <td data-bbox="1360 716 1549 808">12.3%</td> </tr> <tr> <td data-bbox="640 808 787 898">402 ⁽³⁾</td> <td data-bbox="787 808 1218 898">Common Shares</td> <td data-bbox="1218 808 1360 898">0.0%</td> <td data-bbox="1360 808 1549 898">0.0%</td> </tr> <tr> <td data-bbox="367 898 640 1078" rowspan="2">Henry Batievsky (Miami, Florida)</td> <td data-bbox="640 898 787 990">2,462,189</td> <td data-bbox="787 898 1218 990">Proportionate Voting Shares</td> <td data-bbox="1218 898 1360 990">24.2%</td> <td data-bbox="1360 898 1549 990">12.3%</td> </tr> <tr> <td data-bbox="640 990 787 1078">202</td> <td data-bbox="787 990 1218 1078">Common Shares</td> <td data-bbox="1218 990 1360 1078">0.0%</td> <td data-bbox="1360 990 1549 1078">0.0%</td> </tr> </tbody> </table> <p>Notes:</p> <p>(1) Based on information provided on the System for Disclosure by Insiders (SEDI) and on information filed by third parties on the System for Electronic Document Analysis and Retrieval (SEDAR).</p> <p>(2) On an issued and undiluted basis, not giving effect to the exercise of securities convertible, redeemable or exchangeable into Common Shares held by such person, as applicable. Also not giving effect to the share transfers pursuant to the agreements that the Corporation had reached with its founders (including Jose Hidalgo and Henry Batievsky), which share transfers the Corporation expects will be completed in the near term. See “Interest of Informed Persons in Material Transactions – Return of Shares”.</p> <p>(3) A trust controlled by the spouse of Jose Hidalgo owns 799,980 of these Proportionate Voting Shares and 200 of these Common Shares</p>	Name, Jurisdiction of Residence	Number of Shares ⁽¹⁾⁽²⁾	Class of Shares	Percentage of Class ⁽¹⁾⁽²⁾	Percentage of Voting Rights of the Shares	Jose Hidalgo (Pinecrest, Florida)	2,462,169 ⁽³⁾	Proportionate Voting Shares	24.2%	12.3%	402 ⁽³⁾	Common Shares	0.0%	0.0%	Henry Batievsky (Miami, Florida)	2,462,189	Proportionate Voting Shares	24.2%	12.3%	202	Common Shares	0.0%	0.0%
Name, Jurisdiction of Residence	Number of Shares ⁽¹⁾⁽²⁾	Class of Shares	Percentage of Class ⁽¹⁾⁽²⁾	Percentage of Voting Rights of the Shares																					
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	Information Required by Form 2A Listing Statement	Issuer Response		
		<p>William Smith, as controlling and beneficial holder of Sage Investing, LLC and CanEndeavour, LLC. Based on information filed on SEDAR, Zola Global Investors Ltd. (“Zola”) has beneficial ownership of, or control or direction over a combination of Shares and securities convertible into Shares carrying 10% or more of the voting rights attached to Common Shares of the Corporation.</p> <p>Assuming the conversion of all securities of the Corporation held by Zola that are convertible into Common Shares, Zola has beneficial ownership of, or control or direction over, 15,767,942 Common Shares, representing approximately 14.5% of the issued and outstanding Common Shares. This represents approximately 7.5% of the total votes attached to all of the issued and outstanding voting securities of the Corporation.</p>		
13	<p>Directors and Officers</p> <p>13.1 Name, municipality of residence, position(s) within past 5 years of each director and officer</p>	<p>Name and municipality of residence</p>	<p>Director/officer since and position with Company/Cansortium LLC</p>	<p>Principal occupation for past 5 years</p>
		Neal Hochberg Hollywood, Florida	Director, Chairman	Vice President of Charles River Associates since 2019. Senior Advisor of FTI Consulting prior to that
		David Abrams New York, New York	Director	Head of Investments and Strategy for Harris Blitzer Sports Entertainment. Senior Managing Director of Cerberus European Capital Advisors, LLP from 2016 to 2018; Managing Partner of Apollo European Principal Finance Funds from 2007 to 2016
		John McKimm Toronto, Ontario	Director	President, Chief Executive Officer and Chief Information Officer of Smart Employee Benefits Inc. (TSXV: SEB) since 2012

	Information Required by Form 2A Listing Statement	Issuer Response		
		Roger Daher Markham, Ontario	Director	Owner/partner in seven Ontario Pharmasave® pharmacies
		Samantha Hymes Davie, Florida	Executive Vice-President Operations since September 2017	Compliance Director of Consortium LLC
		Henry Batievsky Miami, Florida	Chief Financial Officer since February 2016, Chief Production Officer since October 2019	Director and Chief Financial Officer of Consortium Holdings
		Todd Buchman Miami, Florida	Chief Legal Officer since April 2019, Corporate Secretary since October 2019	Associate General Counsel and Senior Vice President of Sun Capital Partners, Inc. from 2006 to 2018
	13.2 Term of office of directors	1 year		
	13.3 Number and percentage of securities owned	The Directors and Officers, as a group, beneficially own or control, directly or indirectly, an equivalent of 26,002,115 Common Shares (on an as-converted and non-diluted basis), representing 13.03% of the issued and outstanding Common Shares (on an as-converted and non-diluted basis).		
	13.4 Board committees and members	<u>Audit Committee</u> 1. David Abrams 2. Neal Hochberg 3. John McKimm <u>Board of Directors</u> 1. Neal Hochberg 2. David Abrams 3. John McKimm 4. Roger Daher		

Information Required by Form 2A Listing Statement	Issuer Response							
	<p>Special Committee</p> <ol style="list-style-type: none"> 1. Neal Hochberg (Chair) 2. David Abrams 3. John McKimm 							
13.5 Principal occupation if that occupation is acting as a director or officer of another company	<p>The following directors of the Company are currently directors or officers of other reporting issuers:</p> <table border="1" data-bbox="367 605 1472 771"> <thead> <tr> <th data-bbox="367 605 919 643">Name of Director</th> <th data-bbox="919 605 1472 643">Name of Reporting Issuer(s)</th> </tr> </thead> <tbody> <tr> <td data-bbox="367 643 919 708">David Abrams</td> <td data-bbox="919 643 1472 708">Norwegian Cruise Line Holdings Ltd. (NYSE: NCLH)</td> </tr> <tr> <td data-bbox="367 708 919 771">John McKimm</td> <td data-bbox="919 708 1472 771">Smart Employee Benefits Inc. (TSXV: SEB)</td> </tr> </tbody> </table>		Name of Director	Name of Reporting Issuer(s)	David Abrams	Norwegian Cruise Line Holdings Ltd. (NYSE: NCLH)	John McKimm	Smart Employee Benefits Inc. (TSXV: SEB)
Name of Director	Name of Reporting Issuer(s)							
David Abrams	Norwegian Cruise Line Holdings Ltd. (NYSE: NCLH)							
John McKimm	Smart Employee Benefits Inc. (TSXV: SEB)							
13.6 Cease trade order or bankruptcy	<p>To the best of our knowledge, no current director or executive officer of the Company is, as at the date of this Listing Statement, or within 10 years before the date of this Listing Statement, a director, chief executive officer or chief financial officer of any company (including the Company), that:</p> <ol style="list-style-type: none"> (1) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (2) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. <p>For the purposes of the above paragraph, "order" means a cease trade order, an order similar to a cease trade order; or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.</p>							
13.7 & 13.8 Penalties and sanctions	<p>To the best of our knowledge, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:</p> <ol style="list-style-type: none"> (1) any penalties or sanctions imposed by a court or securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (2) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision. 							
13.9 Bankruptcy proceedings	<p>Other than as set out below, to the best of our knowledge, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:</p>							

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>(1) is, as at the date of this Listing Statement, or has been within the 10 years before the date of this Listing Statement, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or</p> <p>(2) has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.</p>
	13.10 Conflicts of interest	To the best of our knowledge, there are no known existing or potential conflicts of interest among the Company, our directors and officers or other members of management as a result of their outside business interests. Certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.
	13.11 Information regarding management	<p>Henry Batievsky, Chief Financial and Production Officer Henry Batievsky is the Chief Financial and Production Officer of the Company. He co-founded the company in 2016 after a successful career in law and real estate development. Henry received a Bachelor of Science degree in Economics from the University of Pennsylvania Wharton School of Business, and a Juris Doctor degree from the University of California at Los Angeles. He began his career as a tax attorney at Paul, Weiss, Wharton, Rifkind & Garrison LLP, where he focused on large corporate mergers and acquisitions. He then applied his background in tax law to real estate development, founding a firm that brought over one million sq. ft. of single and multi-family housing and commercial properties to market. He has also owned and operated significant retail operations in the U.S. and abroad. His multi-disciplinary strengths are well-suited to managing a production, processing, and dispensing operation with multiple physical footprints in an industry undergoing rapid regulatory development. He regularly competes in ironman competitions in his home state of Florida, and around the country.</p> <p>David Abrams, Director Mr. Abrams is an entrepreneur, businessman and executive with thirty years of investment management, investment banking and sales and trading experience. In addition to his career in the financial services industry, Mr. Abrams is an owner, operator and investor in several professional sports franchises and sports technology companies. In 2018 Mr. Abrams became the Head of Investments and Strategy for Harris Blitzer Sports & Entertainment, which owns the Philadelphia 76ers, the New Jersey Devils and the Prudential Center. From 2016 through 2018, Mr. Abrams was Co-Head of Global Corporate Credit and Distressed Debt at Cerberus Capital, a leading investment firm with more than \$35 billion in assets under management. From 2007 through 2014, Mr. Abrams was the Founder and Managing Partner of the Apollo European Principal Finance Funds franchise at Apollo Global Management (NYSE: APO), which had approximately \$5 billion of assets under management with a primary focus on acquiring distressed debt, real estate and non-performing loans. From 1996 through 2007, Mr. Abrams was a Managing Director in the Leveraged Finance Group of Credit Suisse, based in London and New York. From 2004 through 2007, he founded and was the Head of the Credit Suisse Specialty Finance Investment business which invested in non-performing loan portfolios and distressed assets. From</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>1996 through 2004, Mr. Abrams was a founding member and Co-Head of the Global Distressed Sales and Trading Group at Credit Suisse (and its predecessor Donaldson Lufkin & Jenrette, Inc.). Mr. Abrams began his career in 1989 as an analyst in the Investment Banking Division of Bear, Stearns & Co. and then as an associate/vice president at the Argosy Group, a boutique corporate restructuring firm. Mr. Abrams graduated cum laude with a Bachelor of Science degree in Economics from the Wharton School of Business at the University of Pennsylvania. Mr. Abrams is currently a member of the Board of Directors of Norwegian Cruise Lines, the 3rd largest operator of cruise ships in the world with an equity market capitalization of \$9.6 billion (NYSE: NCLH) and the Advisory Board of the Mount Sinai Hospital (NYC) Surgical Department.</p> <p>Neal Hochberg, Director</p> <p>Neal Hochberg is a vice president at Chares River Associates, based in New York. Mr. Hochberg has decades of consulting experience advising outside counsel, board, and senior management on accounting and forensic investigations. He has provided expert witness testimony and served as an arbitrator, mediator, and in court-appointed roles as independent panel and special master. Mr. Hochberg has served as an independent compliance consultant for a multinational under a US Department of Justice deferred prosecution agreement (DPA). He specializes in complex matters involving financial misreporting, securities derivatives and 10b-5 claims, fraud and corruption claims, including alleged violations of the Foreign Corrupt Practices Act (FCPA). Mr. Hochberg was previously the global leader of the Forensic and Litigation Consulting segment at FTI Consulting from 2008 until 2017 and served on the firm's executive committee. Mr. Hochberg's career also includes service as a forensic and litigation partner at two of the Big 4 accounting firms and as an audit partner at another international accounting firm. In addition, he was an executive vice president, chief financial officer, and member of the board of a diverse manufacturing company. Mr. Hochberg's forensic and financial investigation engagements include examinations into acquisition accounting, accounting irregularities and financial misreporting, revenue recognition, purchasing and inventory diverting schemes, fraud and embezzlement, vendor "kick-back" schemes, banking and securities industry issues, and compliance and internal control issues for major multinational companies. Mr. Hochberg's FCPA and anti-corruption experience includes leading financial and forensic investigations on a global basis in matters including investigating allegations of inappropriate behavior and suspected violations of the FCPA by multi-national corporations, their agents or partners and foreign executives of operating divisions. Mr. Hochberg regularly attends leading professional seminars on a variety of topics including the role of the board, audit and other committees, current Securities Exchange Commission hot topics and global anti-corruption compliance, enforcement and investigations. He has spoken at Stanford Directors College, Ethicsphere's Annual Compliance conference and the National Association of Corporate Directors.</p> <p>Mr. Hochberg holds a B.S.B.A. from the University of Florida with honors. He is a certified Public Accountant licensed in the state of Florida, is certified in Financial Forensics and a certified Fraud Examiner. Mr. Hochberg is a member of the American Institute of certified Public Accountants, Florida Institute of Certified Public Accountants and the Association of Certified Fraud Examiners.</p> <p>Roger Daher, Director</p> <p>Roger Daher is a pharmacist and current owner/partner of eight (8) pharmacies in Ontario. He has worked in the pharmacy industry for 33 years and been a licensed pharmacist for 30+ years. For the past 20 years Roger has expanded his pharmacy ownership to eight Ontario pharmacies, seven of which are Pharmasave Pharmacies. Roger has also been a member of the Pharmasave Ontario board of directors, as well as chair of the Finance and Audit committee for the past ten years. Roger is also an independent director serving on the board of several public</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>companies listed on the TSX Venture Exchange, including Fountain Asset Corp. (TSXV: FA), Aumento Capital VII Corporation (TSXV: AUOC), Skyscape Capital Inc. (TSXV: SKYP), (chairman).</p> <p>John McKimm, Director</p> <p>Mr. McKimm's experience spans over 35 years of serving as a director and an officer of many public and private companies, where he provided operations, investment banking, and corporate finance expertise. This experience covers a range of sectors, including financial services, healthcare, insurance, computer hardware, software and services, manufacturing, petrochemical, mining, oil and gas, food processing, telecom, waste management, biotechnology, and retail. He has personally identified, negotiated and executed more than 150 individual merger, acquisition and financing transactions, both as a principal and as an agent. Mr. McKimm possesses a deep knowledge in dealing with emerging and growth companies, specifically with respect to providing specialty services in government funding programs, strategic and financial restructurings, mergers and acquisitions, operational and financial restructuring and the arrangement of financings. Mr. McKimm's experience is global.</p> <p>Mr. McKimm is a graduate of the University of New Brunswick with a Bachelor of Business Administration, and a graduate of the University of Western Ontario with a Masters of Business Administration and a Bachelor of Law. John also has a number of investment industry certifications and designations. He has published on select investment and financial restructuring topics.</p> <p>Samantha Hymes, EVP of Operations</p> <p>Samantha is a former director at the public affairs and government affairs consulting firm Floridian Partners and Prime Strategies who advised clients in the health care, insurance and real estate development industries. A graduate of Florida Gulf Coast University's Health Care Administration Program with a B.S. in Health Services Administration, she has extensive knowledge and of health care issues, State of Florida legislative and executive branch processes, and Broward County government and local politics.</p> <p>While at Floridian Partners, Samantha assisted clients with business strategy development, request for proposal and licensing applications, compliance work involving assessment of compliance with state laws, mock audits, program implementation, national healthcare plan contracting and delivery, and Medicaid and Medicare issues.</p> <p>She developed broad public-sector experience at the state and local level, working at the Florida Agency for Health Care Administration ("AHCA") and as Chief of Staff to the Mayor of the Broward County Board of County Commissioners. During her time at AHCA, Samantha worked in the Office of Legislative Affairs, rising to the level of Policy Chief. She served in the administrations of Governors Jeb Bush and Charlie Crist, working on AHCA's entire legislative agenda, ranging from health care appropriations to policy issues in both the Division of Medicaid and the Division of Health Quality Assurance. While working as Chief of Staff for the Broward County Mayor, she worked on all issues before the County Commission and Mayor's Office including, among others, the airport, seaport, transportation, tourism, economic development, and procurement.</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>Todd Buchman – Chief Legal Officer</p> <p>Todd Buchman has served as the Company’s Chief Legal Officer since April 2019. From 2006 to 2018 he was Associate General Counsel and Senior Vice President of Sun Capital Partners, Inc.. He began his career as a corporate and securities attorney for Morgan, Lewis & Bockius LLP in Philadelphia, PA, where for 6 years he represented both public and private clients in a wide range of M&A activity and SEC reporting. Todd received a BA in History from the University of Florida, and a JD from the Dickinson School of Law of Pennsylvania State University.</p>
14	<p>Capitalization</p> <p>14.1 Chart with respect to each class of securities to be listed, including public float, freely-tradeable float, public securityholders (registered), public securityholders (beneficial), non-public securityholders (registered)</p>	See chart attached hereto as Schedule “B”
	14.2 Chart with respect to securities convertible or exchangeable into class of	See chart attached hereto as Schedule “B”

	Information Required by Form 2A Listing Statement	Issuer Response
	listed securities	
	14.3 Listed securities reserved for issuance not included in item 14.2	See charts attached as hereto as Schedule "B"
15	<p>Executive Compensation</p> <p>15.1 Statement of Executive Compensation</p>	<p>Named Executive Officers</p> <p>Pursuant to applicable securities regulations, the Corporation must disclose the compensation paid to its "Named Executive Officers" (or "NEOs"). This includes the Corporation's Chief Executive Officer, the Corporation's Chief Financial Officer and the other three most highly compensated Executive Officers including any of the Corporation's subsidiaries provided that disclosure is not required for those Executive Officers, other than the Chief Executive Officer and Chief Financial Officer, whose total compensation did not exceed \$150,000.</p> <p>An "Executive Officer" of the Corporation means an individual who at any time during the financial year was (a) a chair, vice-chair or president of the Corporation; (b) a vice-president of the Corporation in charge of a principal business unit, division or function including sales, finance or production; or (c) performing a policy-making function in respect of the issuer.</p> <p>Compensation Discussion and Analysis</p> <p>In this Circular, references to "\$" or "dollars" are to United States dollars; references to "CAD\$" are to Canadian dollars. Amounts are stated in United States dollars unless otherwise indicated.</p> <p>The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation's executive compensation objectives and processes and to discuss compensation decisions relating to its NEOs.</p> <p>The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Corporation. In determining executive compensation, the Board considers the Corporation's financial circumstances at the time decisions are made regarding executive compensation, and also the anticipated financial situation of the Corporation in the mid-term and long-term.</p> <p>The Board's responsibilities relating to the compensation and retention of Named Executive Officers include, but are not limited to:</p> <ul style="list-style-type: none"> • setting policies for Named Executive Officers' remuneration; • reviewing and approving salary, bonus, and other benefits, direct or indirect, and any change-of-control packages of the Chief Executive Officer; • considering the recommendations of the Chief Executive Officer and setting the terms and conditions of employment including, approving the salary, bonus, and other benefits, direct or indirect, and any change-of-control packages, of the Named Executive Officers of the Corporation; and • overseeing the administration of the Corporation's compensation plans, including the Stock Option Plan and such other compensation plans or structures as are adopted by the Corporation from time to time. <p>The following executive compensation principles guide the Board in fulfilling its roles and responsibilities in the design and ongoing administration of the Corporation's executive compensation program:</p> <ul style="list-style-type: none"> • compensation levels and opportunities must be market competitive to attract and retain qualified and experienced executives, while being fair and reasonable to Shareholders; • compensation must incorporate an appropriate balance of short-term and long-term rewards; and • compensation programs must align executives' long-term financial interests with those of Shareholders by providing equity-based incentives.

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>The Corporation does not have formal benchmarks for assessing and setting executive compensation. However, the Corporation reviews compensation programs of companies in its peer group to ensure that executive compensation is within the parameters of companies of a similar size and within the same industry. Levels of compensation are also established and maintained with the intent of attracting and retaining superior quality employees while ensuring that the levels are not contrary to the interests of shareholders.</p> <p>The Corporation's general executive compensation philosophy is to, whenever possible, pay its Named Executive Officers "base" compensation in the form of salaries that are competitive in comparison to those earned by executive officers holding comparable positions with other entities similar to the Corporation, while at the same time providing its Named Executive Officers with the opportunity to earn above average "total" compensation through the Stock Option Plan and other equity-based compensation structures as may be approved by the Corporation's shareholders.</p> <p>The Corporation's executive compensation program is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short-term and the long term. For NEOs, the compensation program is designed to provide a larger portion of variable incentives tied to corporate performance. NEO compensation includes base salary, bonus and benefits, and stock options. Salaries are a base level of compensation designed to attract and retain executive officers with the appropriate skills and experience. Stock option grants through the Stock Option Plan were designed to provide incentives to increase shareholder value over the longer-term and thereby better align executive compensation with the interests of Shareholders.</p> <p>Each element of executive compensation is carefully considered by the Board to ensure that there is the right mix of short-term and long-term incentives for the purposes of achieving the Corporation's goals and objectives.</p> <p><u>Base Salary</u></p> <p>An NEO's base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive's performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each Named Executive Officer is determined by the Board based on an assessment by the Board of his or her sustained performance and consideration of competitive compensation levels for the markets in which the Corporation operates. In making its determinations, the Board also considers the particular skills and experience of the individual. A final determination on executive compensation, including salary, is made by the Board in its sole discretion and its knowledge of the industry and geographic markets in which the Corporation operates. The Board does not use any type of quantitative formula to determine the base salary level of any of the NEOs.</p> <p>Base salaries are reviewed annually to ensure that they properly reflect a balance of market conditions, the levels of responsibilities and accountability of each individual, their unique experience, skills and capability and level of sustained performance.</p> <p><u>Option Based Awards</u></p> <p>The stock option component of Named Executive Officers' compensation is intended to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation to remain associated with the Corporation and providing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. Grants under the Stock Option Plan are intended to provide long term awards linked directly to the market value performance of the Common Shares. The Board reviews management's recommendations and stock options are granted according to the specific level of responsibility of the particular executive and the number of stock options for each level of responsibility is determined by the Board.</p> <p>The number of outstanding stock options is considered by the Board when determining the number of stock options to be granted in any particular year due to the limited number of stock options which are available for grant under the Stock Option Plan.</p> <p><u>Stock Option Plan</u></p> <p>The Board has adopted a 10% "rolling" stock option plan (the "Stock Option Plan"), in accordance with provisions allowable for a Canadian Securities Exchange issuer. The Stock Option Plan has been established to provide incentives to increase individual performance and shareholder value, and to assist with the retention of directors, officers, employees and consultants.</p> <p>The Board may from time to time, in its discretion, and in accordance with Canadian Securities Exchange requirements, grant to directors, officers, employees and consultants, non-assignable and non-transferable options to purchase Common Shares and Proportionate Voting Shares; provided that the number of the Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares on an as-converted basis.</p> <p>The stock options are exercisable up to 10 years from the date of grant, so long as the optionee maintains its eligibility under the Stock Option Plan. The number of Common Shares reserved for issuance to any optionee cannot exceed 5% of the then issued and outstanding Common Shares on an as-converted basis and the number of Common Shares reserved for issuance to consultants cannot exceed 2% of the then issued and outstanding Common Shares on an as-converted basis.</p> <p>The minimum exercise price of a stock option granted under the Stock Option Plan must not be less than the greater of the closing trading price of the Common Shares on the day immediately preceding the grant date and the grant date.</p> <p>Stock options granted to an optionee who does not continue as a director, officer, employee or consultant of the Corporation, have 30 days after such optionee ceases to be a director, officer, employee or consultant of the Corporation to be exercised, after which such options terminate and are of no further force or effect.</p>

Summary Compensation Table

The following table sets forth the compensation earned by the NEOs for the Corporation's three most recently completed financial years.

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jose Hidalgo ⁽³⁾ , CEO	2019	607,116	NIL	NIL	NIL	NIL	NIL	20,707	627,823
	2018	542,308	NIL	NIL	100,000	NIL	NIL	21,495	663,803
	2017	346,153	NIL	NIL	NIL	NIL	NIL	15,254	361,407
Henry Batievsky, CFO	2019	511,154	NIL	NIL	NIL	NIL	NIL	18,452	529,606
	2018	521,154	NIL	NIL	100,000	NIL	NIL	7,275	628,429
	2017	346,153	NIL	NIL	NIL	NIL	NIL	5,220	351,373
Patrick Maloy ⁽⁴⁾ , COO	2019	294,231	NIL	NIL	NIL	NIL	NIL	13,354	307,585
	2018	375,000	NIL	NIL	NIL	NIL	NIL	NIL	375,000
	2017	83,333	NIL	NIL	NIL	NIL	NIL	NIL	83,333
Jeffrey Reath ⁽⁵⁾ , Corporate Secretary and EVP	2019	195,400	NIL	NIL	NIL	NIL	NIL	2,500	197,900
	2018	216,226	NIL	NIL	NIL	NIL	NIL	2,775	219,001
	2017	117,000	NIL	NIL	NIL	NIL	NIL	NIL	117,000
Todd Buchman ⁽⁶⁾ , Chief Legal Officer and Corporate Secretary	2019	235,577	NIL	1,296,046	NIL	NIL	NIL	11,976	1,543,599
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Share based awards do not represent cash received. Share based awards reflect the market value of the Corporation's Common Shares at the time of issuance.
Option based awards do not represent cash received. They represent the fair value of options granted during the period using the Black Scholes pricing model. This method was chosen as it is a recognized standard for valuations.
Jose Hidalgo was the Chief Executive Officer of the Corporation prior to February 24, 2020.
Patrick Maloy was the Chief Operating Officer of the Corporation prior to September 27, 2019.
Jeffrey Reath was the Corporate Secretary and Executive Vice President of the Corporation prior to October 17, 2019.
Todd Buchman was appointed Chief Legal Officer on April 15 2019 and Corporate Secretary on October 17, 2019.

Incentive Plan Awards - Outstanding Share and Option-Based Awards

The following table sets forth the outstanding option and share based awards of NEOs as of December 31, 2019.

Name and principal position	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$) ⁽²⁾
Jose Hidalgo ⁽³⁾ , CEO	NIL	N/A	N/A	N/A	N/A	N/A	N/A
Henry Batiievsky, CFO	NIL	N/A	N/A	N/A	N/A	N/A	N/A
Patrick Maloy ⁽⁴⁾ , COO	NIL	N/A	N/A	N/A	N/A	N/A	N/A
Jeffrey Reath ⁽⁵⁾ , Corporate Secretary and EVP	NIL	N/A	N/A	N/A	N/A	N/A	N/A
Todd Buchman ⁽⁶⁾ , Chief Legal Officer and Corporate Secretary	600,000	2.00	March 21, 2021	NIL	N/A	N/A	N/A
	2,000,000	0.44	December 31, 2024	NIL			

Notes:

- (1) Based on closing price of the Common Shares on the Canadian Securities Exchange on December 31, 2019 of \$0.44.
- (2) Market value of share-based awards that have vested but have not been paid out or distributed is calculated as the number of stock options outstanding at December 31, 2019 multiplied by the closing price of the Common Shares at that date, which was \$0.44.
- (3) Jose Hidalgo was the Chief Executive Officer of the Corporation prior to February 24, 2020.
- (4) Patrick Maloy was the Chief Operating Officer of the Corporation prior to September 27, 2019.
- (5) Jeffrey Reath was the Corporate Secretary and Executive Vice President of the Corporation prior to October 17, 2019.
- (6) Todd Buchman was appointed Chief Legal Officer on April 15 2019 and Corporate Secretary on October 17, 2019.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the value vested of option and share based awards for NEOs during the year ended December 31, 2019.

Name and principal position	Option based awards – Value vested during the year (\$) ⁽¹⁾	Share based awards – Value vested during the year (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)

Jose Hidalgo ⁽³⁾ , CEO	N/A	N/A	N/A
Henry Batievsky, CFO	N/A	N/A	N/A
Patrick Maloy ⁽⁴⁾ , COO	N/A	N/A	N/A
Jeffrey Reath ⁽⁵⁾ , Corporate Secretary and EVP	N/A	N/A	N/A
Todd Buchman ⁽⁶⁾ , Chief Legal Officer and Corporate Secretary	NIL	N/A	N/A

Notes:

- (1) Option based awards do not represent cash received. The value of stock options is calculated based on the value that would have been realized if the options had been exercised on the vesting date by taking the difference between the market price of the underlying Common Shares on the vesting date and the exercise price.
- (2) Share based awards do not represent cash received. Awards are shown at the market value of the Common Shares at the time of issuance of the stock options.
- (3) Jose Hidalgo was the Chief Executive Officer of the Corporation prior to February 24, 2020.
- (4) Patrick Maloy was the Chief Operating Officer of the Corporation prior to September 27, 2019.
- (5) Jeffrey Reath was the Corporate Secretary and Executive Vice President of the Corporation prior to October 17, 2019.
- (6) Todd Buchman was appointed Chief Legal Officer on April 15 2019 and Corporate Secretary on October 17, 2019.

Employee Agreements and Termination and Change of Control Benefits

The Corporation had entered into an executive employment agreement with the CEO, Jose Hidalgo, for services whereby he was initially compensated at the rate of \$700,000 annually and then from October 18, 2019, at the rate of \$225,000 annually. Jose Hidalgo resigned on February 24, 2020 and his executive employment agreement was terminated without further obligation to the Corporation.

The Corporation had entered into an executive employment agreement with the CFO, Henry Batievsky, for services whereby he was initially compensated at the rate of \$600,000 annually and then from October 18, 2019, at the rate of \$150,000, annually.

The Corporation had entered into an executive employment agreement with the COO, Patrick Maloy, for services whereby he was compensated at the rate of \$500,000 annually. Patrick Maloy resigned on September 27, 2019 and his executive employment agreement was terminated without further obligation to the Corporation.

The Corporation had entered into an executive employment agreement with the Corporate Secretary, Jeffrey Reath, for services whereby he was compensated at the rate of \$225,000 annually. Jeffrey Reath resigned on October 17, 2019 and his executive employment agreement was terminated without further obligation to the Corporation.

The Corporation has entered into an employment agreement with the Chief Legal Officer, Todd Buchman, for services whereby he is compensated at the rate of \$350,000 annually. If such agreement is terminated without Cause (as defined therein) or for Good Reason (as defined therein), Mr. Buchman would be entitled to the following, subject to executing a release in favour of the Corporation: (i) salary and benefits continuance for up to twelve months or until other employment is secured; and (ii) earned but unpaid bonuses.

Director Compensation

Director compensation matters are dealt with by the Board as a whole. On completion of the Corporation's initial public offering on March 21, 2019, each director who is not also an NEO, received an initial grant of 22,222 stock options at an exercise price equal to \$2.00 and subsequently on December 31, 2019 a grant of 540,000 stock options at an exercise price equal to \$0.44.

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Each director who is not also an NEO, is paid the following directors fees, as applicable: (i) an annual fee of \$70,000 for being a member of the Board; (ii) an annual fee of \$10,000 for being a member of the audit committee (\$15,000 for being the chair); (iii) an annual fee of \$10,000 for being a member of the governance & compensation committee (\$15,000 for being the chair); and (iv) a monthly fee of \$10,000 for being a member of the special committee (\$15,000 for being the chair).

All directors are reimbursed for their respective out of pocket expenses in relation to their attendance at Board meetings and committee meetings.

Director Compensation Table

The following table describes all compensation provided to the non-executive Directors of the Corporation for the most recently completed financial year.

Name	Fees Earned	Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽²⁾	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
David Abrams	89,000	NIL	282,444	NIL	NIL	NIL	371,044
Neal Hochberg	116,500	NIL	282,444	NIL	NIL	NIL	398,544
John McKimm	96,500	NIL	282,444	NIL	NIL	NIL	378,544

Notes:

- (1) Share based awards do not represent cash received. Share based awards reflect the market value of the Corporation's Common Shares at the time of issuance.
- (2) Option based awards do not represent cash received. They represent the fair value of options granted during the period using the Black Scholes pricing model. This method was chosen as it is a recognized standard for valuations.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards - Directors

The following table sets forth the outstanding option and share based awards for non-executive Directors of the Corporation as of December 31, 2019.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-the-Money Options	Number of Shares or Units of Shares that Have Not Vested	Market or Payout Value of Share-Based Awards that Have Not Vested	Market or payout value of vested share-based awards not paid out or distributed

	Information Required by Form 2A Listing Statement	Issuer Response																																																																
		<table border="1"> <thead> <tr> <th></th> <th></th> <th>(\$)</th> <th></th> <th>(\$)⁽¹⁾</th> <th>(\$)</th> <th>(\$)</th> <th>(\$)</th> </tr> </thead> <tbody> <tr> <td>David Abrams</td> <td>22,222</td> <td>\$2.00</td> <td>March 21, 2024</td> <td>NIL</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td></td> <td>540,000</td> <td>0.44</td> <td>December 31, 2024</td> <td>NIL</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Neal Hochberg</td> <td>22,222</td> <td>\$2.00</td> <td>March 21, 2024</td> <td>NIL</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td></td> <td>540,000</td> <td>0.44</td> <td>December 31, 2024</td> <td>NIL</td> <td></td> <td></td> <td></td> </tr> <tr> <td>John McKimm</td> <td>22,222</td> <td>\$2.00</td> <td>March 21, 2024</td> <td>NIL</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td></td> <td>540,000</td> <td>0.44</td> <td>December 31, 2024</td> <td>NIL</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			(\$)		(\$) ⁽¹⁾	(\$)	(\$)	(\$)	David Abrams	22,222	\$2.00	March 21, 2024	NIL	N/A	N/A	N/A		540,000	0.44	December 31, 2024	NIL				Neal Hochberg	22,222	\$2.00	March 21, 2024	NIL	N/A	N/A	N/A		540,000	0.44	December 31, 2024	NIL				John McKimm	22,222	\$2.00	March 21, 2024	NIL	N/A	N/A	N/A		540,000	0.44	December 31, 2024	NIL											
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16	Indebtedness of Directors and Executive Officers 16.1 Aggregate Indebtedness	<p>No director, executive officer, employee, former director, former executive officer or former employee of the Company is or has within 30 days before the date of this Listing Statement been indebted to the Company or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or similar agreement provided by the Company, except for routine indebtedness.</p>																																																																

Notes:

(1) Based on the closing price of the Common Shares on the Canadian Securities Exchange on December 31, 2019 of \$0.44.

Incentive Plan Awards – Value Vested or Earned During the Year by Directors

The following table sets forth the value of vested option and share based awards for non-executive Directors of the Corporation during the year ended December 31, 2019.

Name	Option-Based Awards – Value Vested During the Year ⁽¹⁾	Share-Based Awards – Value Vested During the Year ⁽²⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year
	(\$)	(\$)	(\$)
David Abrams	NIL	N/A	N/A
Neal Hochberg	NIL	N/A	N/A
John McKimm	NIL	N/A	N/A

Notes:

(1) Option based awards do not represent cash received. The value of stock options is calculated based on the value that would have been realized if the options had been exercised on the vesting date by taking the difference between the market price of the underlying Common Shares on the vesting date and the exercise price.

(2) Share based awards do not represent cash received. Awards are shown at the market value of the Common Shares at the time of issuance of the stock options.

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	16.2 Indebtedness of Directors and Officers under (1) Securities Purchase and (2) Other Programs	Not applicable
17	Risk Factors 17.1 Risk factors related to the Company and its business	<p>Risks Relating to the Company's Business</p> <p><i>Limited Operating History</i> We have a very limited history of operations and are considered a start-up company. As such, we are subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance that we will be successful in achieving a return on shareholders' investment and the likelihood of our success must be considered in light of our early stage of operations.</p> <p><i>The Company's actual financial position and results of operations may differ materially from the expectations of the Company's management.</i></p> <p>The Company's actual financial position and results of operations may differ materially from management's expectations. The Company has experienced some changes in its operating plans and certain delays in its plans. As a result, the Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. The process for estimating the Company's revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. In addition, the assumptions used in planning may not prove to be accurate, and other factors may affect the Company's financial condition or results of operations.</p> <p><i>The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure, growth, regulatory compliance and operations.</i></p> <p>The Company expects to incur significant ongoing costs and obligations related to its investment in infrastructure and growth and for regulatory compliance, which could have a material adverse impact on the Company's results of operations, financial condition and cash flows. In addition, future changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company. Our efforts to grow our business may be costlier than we expect, and we may not be able to increase our revenue enough to offset our higher operating expenses. We may incur significant losses in the future for a number of</p>

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		<p>reasons, including the other risks described in this Listing Statement, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, the market price of our Common Shares may significantly decrease.</p> <p><i>Risks Specifically Related to the United States Regulatory System</i></p> <p>The Company operates in a new industry which is highly regulated, highly competitive and evolving rapidly. As such, new risks may emerge, and management may not be able to predict all such risks or be able to predict how such risks may result in actual results differing from the results contained in any forward-looking statements.</p> <p>The Company's business incurs ongoing costs and obligations related to regulatory compliance. Failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions of operations. In addition, changes in regulations, more vigorous enforcement thereof or other unanticipated events could require extensive changes to operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company and, therefore, on the Company's prospective returns. Further, the Company may be subject to a variety of claims and lawsuits. Adverse outcomes in some or all of these claims may result in significant monetary damages or injunctive relief that could adversely affect our ability to conduct our business. The litigation and other claims are subject to inherent uncertainties and management's view of these matters may change in the future. A material adverse impact on our financial statements also could occur for the period in which the effect of an unfavorable final outcome becomes probable and reasonably estimable.</p> <p>The industry is subject to extensive controls and regulations, which may significantly affect the financial condition of market participants. The marketability of any product may be affected by numerous factors that are beyond the control of the Company and which cannot be predicted, such as changes to government regulations, including those relating to taxes and other government levies which may be imposed. Changes in government levies, including taxes, could reduce the Company's earnings and could make future capital investments or the Company's operations uneconomic. The industry is also subject to numerous legal challenges, which may significantly affect the financial condition of market participants and which cannot be reliably predicted.</p> <p>This Listing Statement involves entities that are expected to continue to derive a portion of their revenues from the cannabis industry in certain states of the United States, which industry is illegal under United States federal law. While the Company's and its applicable subsidiaries' business activities are compliant with applicable state and local law, such activities remain illegal under United States federal law. The Company is involved in the cannabis industry in the United States where local and state laws permit such activities or provide limited defenses to criminal prosecutions. Currently, the Company and its subsidiaries are directly engaged in the manufacture and possession of cannabis in the medical cannabis marketplace in the United States. The enforcement of relevant laws is a significant risk.</p> <p>Over half of the states in the United States have enacted comprehensive legislation to regulate the sale and use of medical cannabis in some form. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a Schedule 1 controlled substance under the <i>United States Controlled Substances Act of 1970</i>. As such, cannabis-related practices or activities,</p>

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		<p>including without limitation, the cultivation, manufacture, importation, possession, use or distribution of cannabis, are illegal under United States federal law. Strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under United States federal law, nor will it provide a defense to any federal proceeding which may be brought against the Company. Any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.</p> <p>Because of the conflicting views between state legislatures and the federal government of the United States regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation, regulation, and enforcement. Unless and until the United States Congress amends the United States Controlled Substances Act with respect to cannabis or the Drug Enforcement Agency reschedules or de-schedules cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, which would adversely affect the current and future operations and investments of the Company in the United States. As a result of the tension between state and federal law, there are a number of risks associated with the Company's existing and future operations and investments in the United States.</p> <p>For the reasons set forth above, the Company's existing interests in the United States cannabis market may become the subject of heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities in the United States and Canada.</p> <p>On February 8, 2018, following discussions with the CSA and recognized Canadian securities exchanges, the TMX Group announced the signing of a Memorandum of Understanding ("TMX MOU") with Aequitas NEO Exchange Inc., the CSE, the Toronto Stock Exchange, and the TSX Venture Exchange. The TMX MOU outlines the parties' understanding of Canada's regulatory framework applicable to the rules, procedures, and regulatory oversight of the exchanges and CDS as it relates to issuers with cannabis-related activities in the United States. The TMX MOU confirms, with respect to the clearing of listed securities, that CDS relies on the exchanges to review the conduct of listed issuers. As a result, there is no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States. However, there can be no guarantee that this approach to regulation will continue in the future. If such a ban were to be implemented, it would have a material adverse effect on the ability of holders of Common Shares to make and settle trades. In particular, the Common Shares would become highly illiquid as until an alternative was implemented, investors would have no ability to effect a trade of the Shares through the facilities of a stock exchange. The operations of the Company and its subsidiaries are, and will continue to be, subject to evolving regulation by governmental authorities. The Company's and its subsidiaries' operations are directly in the medical cannabis industry in the United States, where local state law permits such activities. The legality of the production, extraction, distribution and use of cannabis differs among North American jurisdictions.</p> <p>The Company's and its subsidiaries' operations have been focused in states that have legalized the medical use of cannabis. Over half of the U.S. states have enacted legislation to legalize and regulate the sale and use of medical cannabis. Currently, the states of Alaska, California, Colorado, Maine, Massachusetts, Nevada, Oregon, Vermont, Washington and the District of Columbia have legalized recreational use of cannabis. However, the U.S. federal government has not enacted similar legislation for medical or recreational cannabis. As such, the cultivation, manufacture, distribution, sale and use of cannabis remains illegal under U.S. federal law.</p> <p>Further, on January 4, 2018, former U.S. Attorney General Jeff Sessions formally rescinded the standing U.S. Department of Justice federal policy guidance governing enforcement of marijuana laws, as set forth in a series of memos and guidance from 2009-2014, principally the memorandum authored by then Deputy Attorney General, James Cole (collectively the "Cole Memorandum"). The Cole Memorandum generally</p>

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		<p>directed U.S. Attorneys not to enforce the federal marijuana laws against actors who are compliant with state laws, provided enumerated enforcement priorities were not implicated. The rescission of the Cole Memorandum and other Obama-era prosecutorial guidance did not create a change in federal law as the Cole Memorandum was never legally binding; however, the revocation removed the Department of Justice's ("DOJ") guidance to U.S. Attorneys that state-regulated cannabis industries substantively in compliance with the Cole Memorandum's guidelines should not be a prosecutorial priority. The federal government of the United States has always reserved the right to enforce federal law regarding the sale and disbursement of medical or recreational marijuana, even if state law sanctioned such sale and disbursement. Although the rescission of the above memorandums does not necessarily indicate that marijuana industry prosecutions are now affirmatively a priority for the DOJ, there can be no assurance that the federal government will not enforce such laws in the future.</p> <p>Additionally, there can be no assurance that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. It is also important to note that local and city ordinances may strictly limit and/or restrict the distribution of cannabis in a manner that could make it extremely difficult or impossible to transact business in the cannabis industry. If the federal government begins to enforce federal laws relating to cannabis in states where the sale and use of cannabis is currently legal, or if existing state laws are repealed or curtailed, the Company's businesses would be materially and adversely affected. Federal actions against any individual or entity engaged in the marijuana industry or a substantial repeal of marijuana related legislation could adversely affect the Company, its business and its investments.</p> <p>In light of the political and regulatory uncertainty surrounding the treatment of U.S. cannabis-related activities, including the rescission of the Cole Memorandum discussed above, on February 8, 2018 the CSA published Staff Notice 51-352 setting out the CSA's disclosure expectations for specific risks facing issuers with cannabis-related activities in the United States. Staff Notice 51-352 confirms that a disclosure-based approach remains appropriate for issuers with U.S. cannabis-related activities. Staff Notice 51-352 includes additional disclosure expectations that apply to all issuers with U.S. cannabis-related activities, including those with direct and indirect involvement in the cultivation and distribution of cannabis, as well as issuers that provide goods and services to third parties involved in the U.S. cannabis industry. The Company views this staff notice favourably, as it provides increased transparency and greater certainty regarding the views of its exchange and its regulator of existing operations and strategic business plan as well as the Company's ability to pursue further investment and opportunities in the United States.</p> <p>The Company's and its subsidiaries' current or future operations in the medical and recreational cannabis industry are likely illegal under the applicable federal laws of the United States. There can be no assurances the federal government of the United States or other jurisdictions will not seek to enforce the applicable laws against the Company or its subsidiaries. The consequences of such enforcement would be materially adverse to the Company and the Company's business and could result in the forfeiture or seizure of all or substantially all of the Company's assets.</p> <p>The concepts of "medical cannabis" and "retail cannabis" do not exist under United States federal law because the U.S. Controlled Substances Act classifies "marijuana" as a Schedule I drug. Under United States federal law, a Schedule I drug or substance has a high potential for abuse, no accepted medical use in the United States, and a lack of accepted safety for the use of the drug under medical supervision. As such,</p>

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		<p>cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis remain illegal under United States federal law. Although the Company's and its subsidiaries' activities are compliant with applicable United States state and local law, strict compliance with state and local laws with respect to cannabis may neither absolve the Company and its subsidiaries of liability under United States federal law, nor may it provide a defense to any federal proceeding which may be brought against the Company or any subsidiary. Any such proceedings brought against the Company may adversely affect the Company's and its subsidiaries' operations and financial performance.</p> <p>Violations of any United States federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the United States federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities or divestiture. This could have a material adverse effect on the Company and its subsidiaries, including their reputations and ability to conduct business, their holding (directly or indirectly) of medical cannabis licenses in the United States, the listing of their securities on various stock exchanges, their financial position, operating results, profitability or liquidity or the market price of any publicly traded shares. In addition, it is difficult for the Company to estimate the time or resources that would be needed for the investigation of any such matters or its final resolution because, in part, the time and resources that may be needed are dependent on the nature and extent of any information requested by the applicable authorities involved, and such time or resources could be substantial.</p> <p>There is still uncertainty surrounding the Donald Trump Administration and its influence and policies towards the cannabis industry as a whole. Former U.S. Attorney General Jeff Sessions resigned on November 7, 2018 and was replaced by Matthew Whitaker as interim Attorney General. On February 14, 2019, William Barr was sworn in as Attorney General. It is unclear what position the new Attorney General will take on the enforcement of federal laws with regard to the U.S. cannabis industry.</p> <p>Many factors could cause the Company's actual results, performances and achievements to differ materially from those expressed or implied by the forward-looking statements, including without limitation, the following factors:</p> <ul style="list-style-type: none"> • the activities of the Company and its subsidiaries are subject to evolving regulation that is subject to changes by governmental authorities in Canada, the U.S. and internationally and such authorities could impose restrictions on the Company's and its subsidiaries' ability to operate; • third parties with which the Company does business, including banks and other financial intermediaries, may perceive that they are exposed to legal and reputational risk because of the Company's and its subsidiaries' cannabis business activities; • the Company's ability to repatriate returns generated from operations and investments in the U.S. may be limited by anti-money laundering laws; • under Section 280E of the Internal Revenue Code, certain normal business expenses incurred in the business of selling marijuana and its derivatives are not deductible in calculating income tax liability. Therefore, certain of the subsidiaries will be precluded from claiming certain deductions otherwise available to non-marijuana businesses. As a result, an otherwise profitable, business may in

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		<p>fact operate at a loss after taking into account its income tax expenses. There is no certainty that the Company and the subsidiaries will not be subject to Section 280E of the Internal Revenue Code in the future, and accordingly, there is no certainty that the impact that Section 280E of the Internal Revenue Code has on the Company's margins will ever be reduced;</p> <ul style="list-style-type: none"> • federal prohibitions result in marijuana businesses being potentially restricted from accessing the U.S. federal banking system, and the Company and its subsidiaries may have difficulty depositing funds in federally insured and licensed banking institutions. This may lead to further related issues, such as the potential that a bank will freeze the Company's or any subsidiary's accounts and risks associated with uninsured deposit accounts. There is no certainty that Company or any subsidiaries will be able to maintain its existing accounts or obtain new accounts in the future; and • although the TMX MOU confirms that there is currently no CDS ban on the clearing of securities of issuers with cannabis-related activities in the United States, there can be no guarantee that this approach to regulation will continue in the future. <p><i>The Company's and its subsidiaries in the United States are subject to applicable anti-money laundering laws and regulations.</i></p> <p>The Company and its subsidiaries are subject to a variety of laws and regulations domestically and in the United States that involve money laundering, financial recordkeeping and proceeds of crime, including the U.S. Currency and Foreign Transactions Reporting Act of 1970 (commonly known as the Bank Secrecy Act), as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), as amended and the rules and regulations thereunder, and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities in the United States, Canada and internationally. Further, under U.S. federal law, banks or other financial institutions that provide a cannabis business with a chequing account, debit or credit card, small business loan, or any other service could be found guilty of money laundering, aiding and abetting, or conspiracy.</p> <p>Despite these laws, FinCEN issued a memorandum on February 14, 2014 outlining the pathways for financial institutions to bank marijuana businesses in compliance with federal enforcement priorities (the "FinCEN Memorandum"). The FinCEN Memorandum states that in some circumstances, it is permissible for banks to provide services to cannabis-related businesses without risking prosecution for violation of federal money laundering laws. It refers to and incorporates supplementary Cole Memorandum guidance issued to federal prosecutors relating to the prosecution of money laundering offenses predicated on cannabis-related violations of the United States Controlled Substances Act on the same day.</p> <p>Notwithstanding former Attorney General Sessions' revocation of the Cole Memorandum, the status of the FinCEN Memorandum has not been affected, nor has the Department of the Treasury given any indication that it intends to rescind the FinCEN Memorandum itself. Though it was originally intended for the Cole Memorandum and the FinCEN Memorandum to work in tandem, the FinCEN Memorandum appears to remain in effect as a standalone document which explicitly lists the eight enforcement priorities originally cited in the rescinded Cole Memorandum. Although the FinCEN Memorandum remains intact, indicating that the Department of the Treasury and FinCEN intend to continue abiding by its guidance, it is unclear whether the current administration will continue to follow the guidelines of the FinCEN Memorandum.</p> <p>The Company and its subsidiaries' operations, and any proceeds thereof, are considered proceeds of crime due to the fact that cannabis remains illegal federally in the United States. This restricts the ability of the Company and its subsidiaries to declare or pay dividends, effect</p>

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		<p>other distributions or subsequently repatriate such funds back to Canada. Furthermore, while the Company has no current intention to declare or pay dividends on its shares in the foreseeable future, the Company may decide or be required to suspend declaring or paying dividends without advance notice and for an indefinite period of time.</p> <p><i>U.S. Federal trademark protection may not be available for the intellectual property of the Company due to the current classification of cannabis as a Schedule I controlled substance.</i></p> <p>As long as cannabis remains illegal under U.S. federal law as a Schedule I controlled substance pursuant to the Controlled Substances Act, the benefit of certain federal laws and protections that may be available to most businesses, such as federal trademark protection regarding the intellectual property of a business, may not be available to the Company. As a result, the Company's intellectual property may never be adequately or sufficiently protected against use or misappropriation by third parties. In addition, since the regulatory framework of the cannabis industry is in a constant state of flux, the Company can provide no assurance that it will ever obtain any protection of its intellectual property in the United States, whether on a federal, state, or local level.</p> <p><i>Ability to Access Private and Public Capital</i></p> <p>The Company has historically relied on access to private capital in order to support its continuing operations and the Company expects to continue to rely almost exclusively on the capital markets to finance its business in the U.S. legal cannabis industry. Although such business carries a higher degree of risk, and is not legal pursuant to U.S. federal law, Canadian based issuers involved in the U.S. cannabis industry have been successful in completing public financings. However, although the Company has accessed private capital and the Canadian public market in the past, there is no assurance the Company will be successful, in whole or in part, in raising funds in the future, particularly if the U.S. federal authorities change their position toward enforcing the United States Controlled Substances Act of 1970. Further, access to funding from U.S. residents may be limited due their unwillingness to be associated with activities which violate U.S. federal laws.</p> <p><i>Service Providers</i></p> <p>As a result of any adverse change to the approach in enforcement of United States cannabis laws, adverse regulatory or political change, additional scrutiny by regulatory authorities, adverse change in public perception in respect of the consumption of marijuana or otherwise, third party service providers to the Company could suspend or withdraw their services, which are necessary for the Company's operations. Such suspension or withdrawal by such third-party service providers may have a material adverse effect on the Company's business.</p> <p><i>Enforceability of Contracts</i></p> <p>It is a fundamental principle of law that a contract will not be enforced if it involves a violation of law or public policy. Because cannabis remains illegal at the federal level in the United States, judges in multiple states have previously refused to enforce contracts for the repayment of money when the loan was used in connection with activities that violate federal law, even where there was no violation of state law. It is not certain that</p>

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		<p>the Company will be able to legally enforce contracts it enters into if necessary. The Company cannot be assured that it will have a remedy for breach of contract, and such lack of a remedy could have a material adverse effect on the Company's business.</p> <p><i>Admissibility to the U.S.</i></p> <p>Admissibility into the United States for those individuals involved with marijuana remains uncertain since the sale, possession, production and distribution of marijuana or the facilitation of the aforementioned remain illegal under U.S. federal law. U.S. Customs practices continue to evolve and U.S. Customs and Border Protection ("CBP") released a statement on October 11, 2018 (the "CBP Statement") confirming that CBP enforces the laws of the United States and U.S. laws have not changed following Canada's legalization of marijuana. Requirements for international travelers wishing to enter the United States are governed by and conducted in accordance with U.S. federal law, which supersedes state laws. Although medical and recreational marijuana may be legal in some U.S. States and Canada, the sale, possession, production and distribution of marijuana or the facilitation of the aforementioned remain illegal under U.S. federal law. Consequently, crossing the border or arriving at a U.S. port of entry in violation of this law may result in denied admission, seizure, fines, and apprehension. The CBP Statement also stated that CBP officers are thoroughly trained on admissibility factors and the <i>Immigration and Nationality Act</i>, which broadly governs the admissibility of travelers into the United States. Determinations about admissibility and whether any regulatory or criminal enforcement is appropriate are made by a CBP officer based on the facts and circumstances known to the officer at the time. Generally, any arriving alien who is determined to be a drug abuser or addict, or who is convicted of, admits having committed, or admits committing, acts which constitute the essential elements of a violation of (or an attempt or conspiracy to violate) any law or regulation of a State, the United States, or a foreign country relating to a controlled substance, is inadmissible to the United States.</p> <p>The CBP Statement then continued to state that a Canadian citizen working in or facilitating the proliferation of the legal marijuana industry in Canada, coming to the U.S. for reasons unrelated to the marijuana industry will generally be admissible to the U.S. However, if a traveler is found to be coming to the U.S. for reason related to the marijuana industry, they may be deemed inadmissible.</p> <p><i>The Company's and its subsidiaries' operations in the United States may be subject to heightened scrutiny.</i></p> <p>Government policy changes or public opinion may also result in a significant influence over the regulation of the cannabis industry in Canada, the United States or elsewhere. A negative shift in the public's perception of medical cannabis in the United States or any other applicable jurisdiction could affect future legislation or regulation. Among other things, such a shift could cause state jurisdictions to abandon initiatives or proposals to legalize medical cannabis, thereby limiting the number of new state jurisdictions into which the Company could expand. Any inability to fully implement the Company's expansion strategy may have a material adverse effect on the Company's business, financial condition and results of operations.</p> <p>Unlike in Canada which has federal legislation uniformly governing the cultivation, distribution, sale and possession of medical and recreational adult use cannabis under the <i>Cannabis Act</i> (Canada), investors are cautioned that in the United States, cannabis is largely regulated at the state level. To the Company's knowledge, there are to date a total of 46 states, plus the District of Columbia, that have legalized cannabis in some</p>

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		<p>form. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a controlled substance under the Controlled Substances Act in the United States and as such, may be in violation of federal law in the United States.</p> <p>Since 2014, the United States Congress has passed appropriations bills which included provisions to prevent the federal government from using congressionally appropriated funds to enforce federal marijuana laws against regulated medical marijuana actors operating in compliance with state and local law (currently the "Leahy Amendment", but also referred to as the Rohrabacher-Farr Amendment). The Leahy Amendment was set to expire with the 2018 fiscal year on September 30, 2018 ("2018 Fiscal Year"), however, Congress approved a nine-week continuing resolution from the 2018 Fiscal Year (the "Continuing Resolution"). The Continuing Resolution has the purpose of providing ongoing and consistent protection for the medical cannabis industry until December 7, 2018. Congress has been negotiating the 2019 Fiscal Year appropriations since February 2018. The much relied upon appropriations protecting the medical cannabis industry were renewed in both the House and Senate versions of the 2019 Fiscal Year Appropriations bills, with the expectation that the language will be included in the final 2019 Fiscal Year Appropriations Bill. However, it should be noted that there is no assurance that the final 2019 Fiscal Year Appropriations Bill will include appropriations protecting the medical cannabis industry. Until Congress agrees on the 2019 Fiscal Year Appropriations Bill, Congress may pass additional continuing resolutions from the 2018 Fiscal Year, which resolutions would provide ongoing and consistent protection for the medical cannabis industry.</p> <p>On December 22, 2018, Congress failed to pass the 2019 Fiscal Year Appropriations Bill, including the Leahy Amendment, causing a shutdown of the federal government. During a federal government shutdown, certain "nonessential" governmental programs are stalled; however, federal law enforcement and prosecution actions are exempted from furlough, thus Drug Enforcement Administration agents and federal prosecutors can operate without any restriction otherwise imposed by the spending bill regarding interference with the cannabis industry. Accordingly, during a shutdown, there can be no assurance that the federal government will not seek to prosecute cases involving medical cannabis business that are otherwise compliant with state law.</p> <p>On January 25, 2019, President Trump ended the government shutdown but announced that he may shutdown the government again on February 15, 2019 if, by that time, Congress has not agreed on the final 2019 Fiscal Year Appropriations Bill which includes sufficient funding for a border wall between the United States and Mexico. On February 15, 2019, President Trump avoided another government shutdown and signed the 2019 Fiscal Year Appropriations Bill which included the Leahy Amendment, extending its application until the end of the 2019 fiscal year on September 30, 2019. There can be no assurances that the Leahy Amendment will be included in future appropriations bills.</p> <p>American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those individuals comply with state medical cannabis laws. However, because this conduct continues to violate federal law, American courts have observed that should Congress at any time choose to appropriate funds to fully prosecute the U.S. Controlled Substances Act, any individual or business—even those that have fully complied with state law—could be prosecuted for violations of federal law. If Congress restores funding, for example by declining to include the Leahy Amendment in a future budget resolution, or by failing to pass necessary budget legislation and causing another government shutdown, the government would have the authority to prosecute individuals for violations of the law before it lacked funding</p>

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	<p>under the five (5) year statute of limitations applicable to non-capital Controlled Substances Act violations. Additionally, it is important to note that the appropriations protections only apply to medical cannabis operations and provides no protection against businesses operating in compliance with a state’s recreational cannabis laws.</p> <p><i>Regulatory Action and Approvals from the Food and Drug Administration</i></p> <p>The Company’s cannabis-based products are supplied to patients diagnosed with certain medical conditions. However, the Company’s cannabis-based products are not approved by the Food and Drug Administration (“USFDA”) as “drugs” or for the diagnosis, cure, mitigation, treatment, or prevention of any disease. Accordingly, the USFDA may regard any promotion of the cannabis-based products as the promotion of an unapproved drug in violation of the Federal Food, Drug and Cosmetic Act (“FFDCA”).</p> <p>In recent years, the USFDA has issued letters to a number of companies selling products that contain CBD oil derived from industrial hemp warning them that the marketing of their products violates the FFDCA. USFDA enforcement action against the Company could result in a number of negative consequences, including fines, disgorgement of profits, recalls or seizures of products, or a partial or total suspension of the Company’s production or distribution of its products. Any such event could have a material adverse effect on the Company’s business, prospects, financial condition, and operating results.</p> <p><i>Re-classification of Cannabis in and Removal of Industrial Hemp from the Controlled Substances Act in the United States</i></p> <p>The USFDA is responsible for ensuring public health and safety through regulation of food, drugs, supplements, and cosmetics, among other products, through its enforcement authority pursuant to the FFDCA. USFDA’s responsibilities include regulating the ingredients as well as the marketing and labeling of drugs sold in interstate commerce.</p> <p>If cannabis, THC or CBD derived from cannabis is re-categorized as a Schedule II or lower controlled substance, the ability to conduct research on the medical benefits of cannabis would most likely be improved; however, rescheduling cannabis, THC or CBD derived from cannabis may materially alter enforcement policies across many federal agencies, primarily the USFDA. Because cannabis is federally illegal to produce and sell, and because it has no federally recognized medical uses, the USFDA has historically deferred enforcement related to cannabis to the DEA; however, the USFDA has enforced the FFDCA with regard to industrial hemp-derived products, especially CBD derived from industrial hemp, sold outside of state-regulated cannabis businesses. If cannabis, THC or CBD derived from cannabis were to be rescheduled to a federally controlled, yet legal, substance, FDA would likely play a more active regulatory role. Further, in the event that the pharmaceutical industry directly competes with state-regulated cannabis businesses for market share, as could potentially occur with rescheduling, the pharmaceutical industry may urge the DEA, FDA, and others to enforce the CSA and FFDCA against businesses that comply with state but not federal law. On December 28, 2018, the Agricultural Improvement Act of 2018 (commonly known as the “2018 Farm Bill”) was signed into law. The 2018 Farm Bill, among other things, removed industrial hemp and its cannabidiols, including CBD derived from industrial hemp, from the Controlled Substances Act and will amend the Agricultural Marketing Act of 1946 to allow for industrial hemp production and sale in the United States. Under the Farm Bill, industrial hemp is defined as “the plant <i>Cannabis sativa</i> L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol</p>

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		<p>concentration of not more than 0.3 percent on a dry weight basis.” The U.S. Department of Agriculture will promulgate regulations for the industrial hemp industry, the timing of which cannot be assured. Additionally, the 2018 Farm Bill does not legalize CBD derived from “marihuana” (as such term is defined in the Controlled Substances Act of 1970), which is and will remain a Schedule I controlled substance under the Controlled Substances Act of 1970. It is not yet known what role the USFDA will have in regulating industrial hemp and CBD derived from industrial hemp.</p> <p>The potential for multi-agency enforcement post-rescheduling of cannabis and post-removal of industrial hemp from the Controlled Substances Act of 1970 could threaten or have a materially adverse effect on the operations of existing state-legal cannabis businesses, including the Company.</p> <p>The approach to the enforcement of cannabis laws may be subject to change or may not proceed as previously outlined. The medical cannabis industry and market are relatively new in Canada and this industry and market may not continue to exist or grow as anticipated or the Company may be ultimately unable to succeed in this new industry and market.</p> <p>As an anticipated Licence Holder, the Company will be operating its business in a relatively new industry and market. In addition to being subject to general business risks, the Company must continue to build brand awareness in this industry and market through significant investments in its strategy, its production capacity, quality assurance and compliance with regulations. In addition, there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management’s expectations and assumptions. Any event or circumstance that adversely affects the cannabis industry and market could have a material adverse effect on the Company’s business, financial conditions and results of operations.</p> <p><i>There are factors which may prevent the Company from the realization of growth targets</i></p> <p>The Company is currently in the expansion from early development stage. The Company’s growth strategy contemplates building various facilities in Canada, the United States and internationally. There is a risk that these additional resources will not be achieved on time, on budget, or at all, as they can be adversely affected by a variety of factors, including some that are discussed elsewhere in these “Risk Factors” and the following:</p> <ul style="list-style-type: none"> • delays in obtaining, or conditions imposed by, regulatory approvals; • facility design errors; • environmental pollution; non-performance by third party contractors; increases in materials or labour costs; construction performance falling below expected levels of output or efficiency; • breakdown, aging or failure of equipment or processes; • contractor or operator errors;

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		<ul style="list-style-type: none"> • operational inefficiencies; • labour disputes, disruptions or declines in productivity; inability to attract sufficient numbers of qualified workers; disruption in the supply of energy and utilities; and • major incidents and/or catastrophic events such as fires, explosions, storms, or physical attacks. • <p>Construction Risk Factors</p> <p>The Company is subject to a number of risk factors, including the availability and performance of engineering and construction contractors, suppliers and consultants and the receipt of required governmental approvals and permits in connection with the construction of any of its facilities. A delay in the performance of any one or more of the contractors, suppliers, consultants or other persons on which the Company is dependent in connection with its construction activities, a delay in or failure to receive the required governmental approvals and permits in a timely manner or on reasonable terms, or a delay in or failure in connection with the completion and successful operation of the operational elements in connection with construction could delay or prevent the construction and start-up of any of the facilities are possible risks for the Company. There can be no assurance that current or future construction plans implemented by the Company or subsidiaries will be successfully completed on time, within budget, and without design defect. There can be no assurance that available personnel and equipment will be available in a timely manner or on reasonable terms to successfully complete construction projects, that the Company and its subsidiaries will be able to obtain all necessary governmental approvals and permits, or that the completion of the construction, the start-up costs and the ongoing operating costs will not be significantly higher than anticipated by the Company. Any of the foregoing factors could adversely impact the operations and financial condition of the Company.</p> <p>Reliance on a Single Facility</p> <p>To date, the Company's activities and resources have been primarily focused on the Florida Facility and the Company expects to continue to be focused on operations at the Florida Facility for the foreseeable future. The Company is in discussions to expand cultivation and production to an additional site located within 65 kilometers of the Florida Facility. There is no guarantee at this point that this expansion will be realized. In all operations the Company relies on specified facilities that may or may not be expanded within timeframes to reduce the reliance on a particular facility. Adverse changes or developments affecting the Florida Facility, including any maintenance requirements of, or material damage or destruction to, the Florida Facility, could have a material and adverse effect on the business, financial condition and prospects of the Company.</p> <p>The Company is reliant on licenses to produce medical cannabis products.</p> <p>The Company is dependent upon its licenses for its ability to grow, store and sell medical cannabis and other products derived therefrom in the jurisdictions where licensing is required and such licenses are subject to ongoing compliance, reporting requirements and renewal. See "Material Contracts". See "Licenses" for each jurisdiction within the following sections "Business of the Company - U.S. Operations – Current", "Business of the Company - U.S. Operations – Anticipated", "Business of the Company - International Operations – Current", and "Business of the Company - International Operations – Anticipated".</p>

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		<p>Although the Company believes it will meet the requirements for future renewals of its licenses, there can be no guarantee that government bodies will renew any applicable license or, if renewed, that such licenses will be renewed on the same or similar terms or that regulatory authorities will not revoke any licenses. Should the Company or any subsidiaries fail to comply with the requirements of an applicable license or should a regulatory authority not renew a license when required, or renew an applicable license on different terms or revoke a license, there would be a material adverse effect on the Company's business, financial condition and results of operations.</p> <p>Government licenses are currently, and in the future may be, required in connection with the Company's and its subsidiaries' operations, in addition to other unknown permits and approvals which may be required. To the extent such permits and approvals are required and not obtained, for example, the Cannabis Act (Canada) License that has been applied for but not yet obtained, the Company and its subsidiaries may be prevented from operating and/or expanding their business, which could have a material adverse effect on the Company's business, financial condition and results of operations.</p> <p><i>Risks related to the Company's application for cultivation and processing license in Brazil.</i></p> <p>The Company through a wholly-owned subsidiary will apply for a cultivation and processing license in Brazil. At the present time, legislation governing licensing of cannabis cultivation and processing does not exist in Brazil. The Brazilian government is presently developing the framework for such legislation, however until such legislation comes into force, no persons (including the Company) can cultivate or process cannabis in Brazil. There is no fixed date upon which such legislation will be implemented and there can be no guarantee of such legislation ever coming into force. Brazilian law does allow for the importation of hemp and cannabis cultivated and processed outside Brazil, such licensing the Company presently has for hemp and is in the process of applying for with respect to cannabis importation. There can be no certainty that the Company will obtain the license necessary to import cannabis. In conjunction with the application to cultivate and process cannabis, the Company expects a pharmaceutical license will also be required, which license the Company is presently applying for, but there is no certainty that such license will be granted to the Company. Given the lack of cannabis legislation in Brazil and that the medical cannabis industry and market are relatively new in Brazil, there are substantial uncertainties as to how the legislation will evolve, if at all, and how the cannabis market will develop beyond the existing import market, if at all.</p> <p><i>The Company may not be able to develop its products, which could prevent it from ever becoming profitable.</i></p> <p>If the Company cannot successfully develop, manufacture and distribute its products, or if the Company experiences difficulties in the development process, such as capacity constraints, quality control problems or other disruptions, the Company may not be able to develop market-ready commercial products at acceptable costs, which would adversely affect the Company's ability to effectively enter the market. A failure by the Company to achieve a low-cost structure through economies of scale or improvements in cultivation and manufacturing processes would have a material adverse effect on the Company's commercialization plans and the Company's business, prospects, results of operations and financial condition.</p>

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	<p><i>The Company's officers and directors will exercise a significant amount of voting power in the Company and such officers and directors may have the ability to control matters affecting the Company and its business.</i></p> <p>The Company's shareholders nominate and elect the Board, which generally has the ability to control the acquisition or disposition of the Company's assets, and the future issuance of its Shares or other securities. Accordingly, for any matters with respect to which a majority vote of the Shares may be required by law, the Company's directors and officers may have the ability to control such matters. Because the directors and officers will exercise a significant amount of voting power in the Company, investors may find it difficult or impossible to replace the Company's directors if they disagree with the way the Company's business is being operated.</p> <p><i>There is no assurance that the Company will turn a profit or generate immediate revenues.</i></p> <p>There is no assurance as to whether the Company will be profitable, earn revenues, or pay dividends. The Company has incurred and anticipates that it will continue to incur substantial expenses relating to the development and initial operations of its business. The payment and amount of any future dividends will depend upon, among other things, the Company's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.</p> <p><i>The Company's and its subsidiaries' operations are subject to environmental regulation in the various jurisdictions in which they operate.</i></p> <p>These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.</p> <p>Government environmental approvals and permits are currently, and may in the future, be required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from its proposed business activities or from proceeding with the development of its operations as currently proposed.</p> <p>Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, and/or remedial actions. The Company and its subsidiaries may be required to compensate those suffering loss or damage due to its operations and may have civil and/or criminal fines or penalties imposed for violations of applicable laws or regulations.</p>

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		<p><i>The Company faces competition from other companies where it will conduct business that may have higher capitalization, more experienced management, or may be more mature as a business.</i></p> <p>An increase in the companies competing in this industry could limit the ability of the Company to expand its operations. Current and new competitors may be better capitalized, have a longer operating history, have more expertise and be able to develop higher quality equipment or products, at the same or a lower cost. The Company cannot provide assurances that it will be able to compete successfully against current and future competitors. Competitive pressures faced by the Company could have a material adverse effect on its business, operating results and financial condition. In addition, despite Canadian federal, U.S. state-level, and international legalization of marijuana, illicit or “black-market” operations remain abundant and present substantial competition to the Company and its subsidiaries. In particular, illicit operations, despite being largely clandestine, are not required to comply with the extensive regulations that the Company and its subsidiaries must comply with to conduct business, and accordingly may have significantly lower costs of operation.</p> <p><i>If the Company is unable to develop and market new products, it may not be able to keep pace with market developments.</i></p> <p>The cannabis industry is in its early stages and it is likely that the Company and its competitors will seek to introduce new products in the future. In attempting to keep pace with any new market developments, the Company will need to expend significant amounts of capital in order to successfully develop and generate revenues from new products. The Company may also be required to obtain additional regulatory approvals from Health Canada and other applicable authorities which may take significant time. The Company may not be successful in developing effective and safe new products, bringing such products to market in time to be effectively commercialized, or obtaining any required regulatory approvals, which together with capital expenditures made in the development of such product and related regulatory approval processes, may have a material adverse effect on the Company’s business, financial condition and results of operations.</p> <p><i>If the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the cannabis market.</i></p> <p>The Company’s success has depended and continues to depend upon its ability to attract and retain key management, including the Company’s CEO and other senior officers, technical experts and sales personnel. The Company will attempt to enhance its management and technical expertise by continuing to recruit qualified individuals who possess the desired skills and experience in certain targeted areas. The Company’s inability to retain employees and attract and retain sufficient additional employees or engineering and technical support resources could have a material adverse effect on the Company’s business, results of operations, sales, cash flow or financial condition. Shortages in qualified personnel or the loss of key personnel could adversely affect the financial condition of the Company, results of operations of the business and could limit the Company’s ability to develop and market its cannabis-related products. The loss of any of the Company’s senior management or key employees could materially adversely affect the Company’s ability to execute its business plan and strategy, and the Company may not be able to find adequate replacements on a timely basis, or at all. The Company does not maintain key person life insurance policies on any of our employees.</p>

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		<p><i>The size of the Company's target market is difficult to quantify, and investors will be reliant on their own estimates on the accuracy of market data.</i></p> <p>Because the cannabis industry is in a preliminary stage with uncertain boundaries, there is a lack of information about comparable companies available for potential investors to review in deciding whether or not to invest in the Company and, few, if any, established companies whose business model the Company can follow or upon whose success the Company can build. Accordingly, investors will have to rely on their own estimates in deciding about whether to invest in the Company. There can be no assurance that the Company's estimates are accurate or that the market size is sufficiently large for its business to grow as projected, which may negatively impact its financial results.</p> <p><i>The Company's industry is experiencing rapid growth and consolidation that may cause the Company to lose key relationships and intensify competition.</i></p> <p>The cannabis industry is undergoing rapid growth and substantial change, which has resulted in an increase in competitors, consolidation and formation of strategic relationships. Acquisitions or other consolidating transactions could harm the Company in a number of ways, including by losing strategic partners (if they are acquired by or enter into relationships with a competitor) losing customers, revenue and market share, or forcing the Company to expend greater resources to meet new or additional competitive threats; all of which could harm the Company's operating results. As competitors enter the market and become increasingly sophisticated, competition in the Company's industry may intensify and place downward pressure on retail prices for its products and services, which could negatively impact its profitability.</p> <p><i>The Company continues to sell shares for cash to fund operations, capital expansion, mergers and acquisitions that will dilute the current shareholders.</i></p> <p>There is no guarantee that the Company will be able to achieve its business objectives. The continued development of the Company will require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or the Company going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.</p> <p>If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of Common Shares. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of issue of further issuances. Moreover, additional Common Shares will be issued by the Company on the exercise of Options under the Stock Option Plan and upon the exercise of outstanding warrants. In addition, from time to time, the Company may enter into transactions to acquire assets or the shares of other companies. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business</p>

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	<p>opportunities, including potential acquisitions. The Company may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict the Company's ability to pursue its business objectives.</p> <p><i>The Company currently has insurance coverage; however, because the Company operates within the cannabis industry, there are additional difficulties and complexities associated with such insurance coverage.</i></p> <p>The Company believes that it and the subsidiaries currently have insurance coverage with respect to workers' compensation, general liability, directors' and officers' insurance, fire and other similar policies customarily obtained for businesses to the extent commercially appropriate. However, because the Company is engaged in and operates within the cannabis industry, there are exclusions and additional difficulties and complexities associated with such insurance coverage that could cause the Company to suffer uninsured losses, which could adversely affect the Company's business, results of operations, and profitability. While the Company has sought to exclude certain criminal act exclusions from certain policies and sought to obtain additional riders exempting violations of the U.S. Controlled Substances Act from such criminal act exclusions, there is no assurance that the Company will be able to fully utilize such insurance coverage, if necessary.</p> <p><i>Risks inherent in an agricultural business.</i></p> <p>The Company's future business involves the growing of medical marijuana, an agricultural product. Such business will be subject to the risks inherent in the agricultural business, such as insects, plant diseases and similar agricultural risks. Although the products are usually grown indoors under climate-controlled conditions, with monitoring, there can be no assurance that natural elements will not have a material adverse effect on them.</p> <p><i>The cultivation of cannabis involves a reliance on third party transportation which could result in supply delays, reliability of delivery and other related risks.</i></p> <p>In order for customers of the Company to receive their product, the Company will rely on third party transportation services. This can cause logistical problems and delays in patients obtaining their orders which cannot be directly controlled by the Company. Any delay by third party transportation services may adversely affect the Company's financial performance.</p> <p>Moreover, security of the product during transportation to and from the Company's facilities is critical due to the nature of the product. A breach of security during transport could have material adverse effects on the Company's business, financials and prospects. Any such breach could impact the Company's future ability to continue operating under its licenses or the prospect of renewing its licenses.</p> <p><i>The Company and its subsidiaries are reliant on key inputs, such as water and utilities, and any interruption of these services could have a material adverse effect on the Company's and its subsidiaries' finances and operation results. The Company and its subsidiaries are also dependent on access to skilled labour, equipment and parts.</i></p>

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		<p>The Company's business is dependent on a number of key inputs and their related costs including raw materials and supplies related to its growing operations, as well as electricity, water and other local utilities. Any significant interruption or negative change in the availability or economics of the supply chain for key inputs could materially impact the business, financial condition and operating results of the Company. Any inability to secure required supplies and services or to do so on appropriate terms could have a materially adverse impact on the business, financial condition and operating results of the Company.</p> <p>The ability of the Company to compete and grow will be dependent on having access, at a reasonable cost and in a timely manner, to skilled labour, equipment, parts and components. No assurances can be given that the Company will be successful in maintaining the required supply of skilled labour, equipment, parts and components. It is also possible that the expansion plans contemplated by the Company may cost more than anticipated, in which circumstance the Company may curtail, or extend timeframes for completing the expansion plans. This could have a material adverse effect on the financial results and operations of the Company.</p> <p><i>The expansion of the medical cannabis industry may require new clinical research into effective medical therapies, when such research has been restricted or is new.</i></p> <p>Research in Canada and internationally regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis or isolated cannabinoids (such as CBD and THC) remains in early stages. There have been relatively few clinical trials on the benefits of cannabis or isolated cannabinoids (such as CBD and THC). Although the Company believes that the articles, reports and studies support its beliefs regarding the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis, future research and clinical trials may prove such statements to be incorrect, or could raise concerns regarding, and perceptions relating to, cannabis. Given these risks, uncertainties and assumptions, investors should not place undue reliance on such articles and reports. Future research studies and clinical trials may draw opposing conclusions to those stated in this Listing Statement or reach negative conclusions regarding the medical benefits, viability, safety, efficacy, dosing, social acceptance or other facts and perceptions related to medical cannabis, which could have a material adverse effect on the demand for the Company's products with the potential to lead to a material adverse effect on the Company's business, financial condition and results of operations.</p> <p><i>Under government regulations, producers of cannabis may have restrictions on the type and form of marketing they can undertake which could materially impact sales performance.</i></p> <p>The development of the Company's future business and operating results may be hindered by applicable restrictions on sales and marketing activities imposed by regulatory bodies. The regulatory environment in Canada limits the Company's ability to compete for market share in a manner similar to other industries. If the Company is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, the Company's sales and operating results could be adversely affected.</p> <p><i>The Company and its subsidiaries could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company and its subsidiaries.</i></p>

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		<p>The Company and its subsidiaries are exposed to the risk that their employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company and its subsidiaries that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; and/or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for the Company or any subsidiaries to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against the Company or subsidiaries, and is the Company or Subsidiary is not successful in defending itself or asserting its rights, those actions could have a significant impact on the business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations; any of which could have a material adverse effect on the Company's business, financial condition and results of operations.</p> <p><i>The Company and its subsidiaries will be reliant on information technology systems and may be subject to damaging cyber-attacks.</i></p> <p>The Company has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. The Company's operations depend, in part, on how well it and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays and/or increase in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.</p> <p>The Company has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that the Company will not incur such losses in the future. While the Company is in the process of obtaining a cyber liability insurance package, the Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.</p> <p><i>The Company and its subsidiaries may be subject to breaches of security at their facilities.</i></p> <p>Given the nature of the Company's product and its lack of legal availability outside of channels approved by regulatory authorities in jurisdictions in which the Company and its subsidiaries operate, as well as the concentration of inventory in their facilities, despite meeting or exceeding</p>

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	<p>applicable regulatory security requirements there remains a risk of shrinkage as well as theft. A security breach at one of the Company's or a subsidiary's facilities could expose the Company to additional liability and to potentially costly litigation, increase expenses relating to the resolution and future prevention of these breaches and may deter potential patients from choosing the Company's products.</p> <p><i>The Company's officers and directors may be engaged in a range of business activities resulting in conflicts of interest.</i></p> <p>The Company may be subject to various potential conflicts of interest because some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to the Company's business and affairs and that could adversely affect the Company's operations. These business interests could require significant time and attention from the Company's executive officers and directors.</p> <p>In addition, the Company may also become involved in other transactions that conflict with the interests of its directors and the officers who may from time to time deal with persons, firms, institutions or companies with which the Company may be dealing, or who may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.</p> <p><i>In certain circumstances, the Company's or a subsidiary's reputation could be damaged.</i></p> <p>Damage to the Company's or a subsidiary's reputation can be the result of the actual or perceived occurrence of any number of events, and could include negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views regarding the Company or a subsidiary and their activities, whether true or not. Although the Company believes that it operates in a manner that is respectful to all stakeholders and that it takes care in protecting its image and reputation, the Company does not ultimately have direct control over how it and its subsidiaries are perceived by others. Reputation loss may result in decreased investor confidence, increased challenges in developing and maintaining community relations and serve as an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on financial performance, financial condition, cash flows and growth prospects.</p> <p><i>Negative Operating Cash Flow</i></p> <p>Although we expect to become profitable, there is no guarantee that will happen, and we may never become profitable. We currently have a negative operating cash flow and may continue to have that for the foreseeable future. A large portion of our expenses are fixed, including expenses related to facilities, equipment, contractual commitments and personnel. As a result, we expect our net losses from operations to</p>

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		<p>improve, as the Company and its subsidiaries increase the revenue earned. Our ability to generate additional revenues and potential to become profitable will depend largely on our ability to manufacture and market our products. There can be no assurance that any such events will occur or that we will ever become profitable. Even if we do achieve profitability, we cannot predict the level of such profitability. If we sustain losses over an extended period of time, we may be unable to continue our business.</p> <p><i>Need for additional financing</i></p> <p>We believe that we will have sufficient capital to operate our business for at least 12 months. However, it is possible that costs associated with the operation of our business will exceed our projections depending on the timing of future operating and capital expenses. We believe we may thereafter require additional capital for additional product development, sales and marketing operations, other operating expenses and for general corporate purposes to fund growth in our markets. We do not know how much additional funding we may require. We may therefore be required to seek other sources of financing in the future, which sources (assuming we are able to locate such alternative sources of financing since there is neither a broad nor deep pool of institutional capital that is available to cannabis license holders and license applicants) may be on terms less favorable to us than received in the past. Any additional equity financing may be dilutive to shareholders, and debt financing, if available, may involve restrictive covenants. If additional funds are raised through the issuance of equity securities, the percentage ownership of the shareholders of the Company will be reduced, shareholders may experience additional dilution in net book value per share, or such equity securities may have rights, preferences or privileges senior to those of the holders of the Shares. If adequate funds are not available on acceptable terms, we may be unable to develop/enhance or enhance our products take advantage of future opportunities, or respond to competitive pressures; any of which could have a material adverse effect on our business, financial condition and operating results. The preceding may force the Company and its subsidiaries to cease operations.</p> <p><i>Product Sales</i></p> <p>The sale of cannabis products by the Company and its subsidiaries may be based on distribution arrangements with third parties and if such third-party distributors do not buy sufficient product, we may not have sufficient distribution channels in which to sell our products. This could have an adverse impact on the Company's results of operations, financial position and cash flows.</p> <p><i>Product Recalls</i></p> <p>Any product recall could result in the Company incurring unexpected expenses of the recall and any legal proceedings that might arise in connection with the recall. In addition, the Company may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. Although, the Company has detailed procedures in place for testing finished products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. Additionally, if the Company did experience a recall, the image of that brand and the Company could be harmed. A recall for any reason could lead to the decreased demand for the Company's products and could have a material adverse effect on the results of operations and financial</p>

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		<p>condition of the Company. Additionally, product recalls may lead to increased scrutiny of the Company's operations by government bodies or other regulatory agencies, requiring further management attention and potential legal fees and other expenses.</p> <p>Product Liability</p> <p>As a manufacturer and distributor of products designed to be ingested by humans, the Company faces an inherent risk of exposure to product liability claims, regulatory action and litigation if its products are alleged to have caused significant harm, loss and/or injury. In addition, the manufacture and sale of the Company's products involve the risk of injury to consumers due to tampering by unauthorized third parties or product contamination. Previously unknown adverse reactions resulting from human consumption of the Company's products alone or in combination with others, that the Company's products caused injury or illness, include inadequate instructions for use or include inadequate warnings concerning possible side effects or interactions with other substances. A product liability claim or regulatory action against the Company could result in increased costs, could adversely affect the Company's reputation with its clients and consumers generally, and could have a material adverse effect on our results of operations and financial condition of the Company.</p> <p>There can be no assurances that the Company will be able to obtain or maintain product liability insurance on acceptable terms or with adequate coverage against potential liabilities. Such insurance is expensive and may not be available in the future on acceptable terms, or at all. The inability to obtain sufficient insurance coverage on reasonable terms or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of the Company's potential products. As of the current date, the Company has a small amount of insurance coverage for product liabilities but is seeking larger surplus coverage for product recalls and product liabilities.</p> <p><i>If we have a material weakness in our internal controls over financial reporting, investors could lose confidence in the reliability of our financial statements, which could result in a decrease in the value of our securities.</i></p> <p>One or more material weaknesses in our internal controls over financial reporting could occur or be identified in the future. In addition, because of inherent limitations, our internal controls over financial reporting may not prevent or detect misstatements, and any projections of any evaluation of effectiveness of internal controls to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with our policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure or difficulty in implementing required new or improved controls, our business and results of operations could be harmed. We may not be able to provide reasonable assurance as to our financial results or meet our reporting obligations and there could be a material adverse effect on the price of our securities.</p> <p>Vulnerability to Rising Energy Costs</p> <p>The company's medical marijuana growing operations consume considerable energy, making the Company vulnerable to rising energy costs. Rising or volatile energy costs may adversely impact the business of the Company and its subsidiaries, affecting their ability to operate profitably.</p> <p>Publicity or Consumer Perception</p>

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		<p>The Company believes the medical marijuana industry is highly dependent upon consumer perception regarding the safety, efficacy and quality of the medical marijuana produced. Consumer perception of the Company's products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, media attention and other publicity regarding the consumption of medical marijuana products. There can be no assurance that future scientific research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the medical marijuana market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity, could have a material adverse effect on the demand for the Company's products, the business, results of operations, financial condition, and the Company's cash flows. The Company's dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Company, the demand for the Company's products, and the business, results of operations, financial condition and cash flows of the Company. Adverse publicity reports or other media attention regarding the safety, efficacy and quality of medical marijuana in general, the Company's products specifically, or associating the consumption of medical marijuana with illness or other negative effects or events could have such a material and/or adverse effect on the business, results of operations, financial condition, and the Company's cash flow. Such adverse publicity reports or other media attention could arise even in circumstances whereby the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed.</p> <p><i>Difficulties with Forecasts</i></p> <p>The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources at this early stage of the medical marijuana industry in Canada, the United States and internationally. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.</p> <p><i>Financial Projections May Prove Materially Inaccurate or Incorrect</i></p> <p>The Company's financial estimates, projections and other forward-looking information accompanying this Listing Statement were prepared by the Company without the benefit of reliable historical industry information or other information customarily used in preparing such estimates, projections and other forward-looking information. Such forward-looking information is based on assumptions of future events that may or may not occur, which assumptions may not be disclosed in such documents. Investors should research the Company and become familiar with the assumptions underlying any estimates, projections or other forward-looking information. Projections are inherently subject to varying degrees of uncertainty and their achievability depends on the timing and probability of a complex series of future events. There is no assurance that the assumptions upon which these projections are based will be realized. Actual results may differ materially from projected results for a number of reasons including increases in operation expenses, changes or shifts in regulatory rules, undiscovered and unanticipated adverse industry and economic conditions, and unanticipated competition. Accordingly, investors should not rely on any projections to indicate the actual results the Company might achieve.</p>

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		<p><i>Risks Associated with Acquisitions</i></p> <p>As part of the Company's overall business strategy, the Company intends to pursue select strategic acquisitions, which would provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. The success of any such acquisitions will depend, in part, on the ability of the Company to realize the anticipated benefits and synergies from integrating those companies into the businesses of the Company. Future acquisitions may expose the Company to potential risks, including risks associated with: (i) the integration of new operations, services and personnel; (ii) unforeseen or hidden liabilities; (iii) the diversion of resources from the Company's existing business and technology; (iv) potential inability to generate sufficient revenue to offset new costs; (v) the expenses of acquisitions; and (vi) the potential loss of or harm to relationships with both employees and existing users resulting from the Company's integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.</p> <p>While the Company intends to conduct reasonable due diligence in connection with such strategic acquisitions, there are risks inherent in any acquisition. Specifically, there could be unknown or undisclosed risks or liabilities of such companies for which the Company is not sufficiently indemnified. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Company's financial performance and results of operations. The Company could encounter additional transaction and integration related costs or other factors such as the failure to realize all of the benefits from the acquisition. All of these factors could cause dilution to the Company's earnings per share or decrease and/or delay the anticipated accretive effect of the acquisition and cause a decrease in the market price of the Common Shares.</p> <p>The Company may not be able to successfully integrate and combine the operations, personnel and technology infrastructure of any such strategic acquisition with its existing operations. If integration is not managed successfully by the Company's management, the Company may experience interruptions in: (i) its business activities; (ii) deterioration in its employee and customer relationships; and (iii) increased costs of integration and harm to its reputation. All of the following could have a material adverse effect on the Company's business, financial condition and results of operations.</p>
	17.2 Risk of additional contribution	Not applicable
	17.3 Other material risk factors	<p>Risks Relating to the Common Shares and/or Warrants</p> <p><i>Market Price of Shares and Volatility</i></p> <p>Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies' financial performance or prospects. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. Factors unrelated to our performance that may affect the price of the Common Shares and/or Warrants include the following: (i) the extent of analytical coverage available to investors concerning our business may be limited if investment</p>

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		<p>banks with research capabilities do not follow the Company; (ii) decreasing in trading volume and general market interest in the Common Shares and/or Warrants may affect an investor's ability to trade significant numbers of Common Shares and/or Warrants; (iii) the size of our public float may limit the ability of some institutions to invest in Common Shares and/or Warrants; and (iv) a substantial decline in the price of the Common Shares and/or Warrants that persists for a significant period of time could cause the Common Shares and/or Warrants, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Common Shares and/or Warrants at any given point in time may not accurately reflect our long-term value. Securities class action litigation has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources. The fact that no market currently exists for the Common Shares and/or Warrants may affect the pricing of the Common Shares and/or Warrants in the secondary market, the transparency and availability of trading prices, and the liquidity of the Common Shares and/or Warrants.</p> <p>The market price of the Common Shares and/or Warrants is affected by many other variables, which are not directly related to our success and are therefore not within our control. These include other developments that affect the breadth of the public market for the Common Shares and/or Warrants, the release or expiration of lock-up or other transfer restrictions on the Common Shares and/or Warrants, and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common Shares and/or Warrants is expected to make such market price volatile in the future, which may result in losses to investors.</p> <p><i>It may be difficult, if not impossible, for U.S. holders of the Company's Common Shares and/or Warrants to resell them over the CSE</i></p> <p>Major securities clearing firms in the United States have ceased participating in transactions related to securities of Canadian public companies involved in the medical marijuana industry. This appears to be due to the fact that marijuana continues to be listed as a controlled substance under U.S. federal law, with the result that marijuana-related practices or activities, including the cultivation, possession or distribution of marijuana, are illegal under U.S. federal law. Accordingly, U.S. residents who acquire Shares as "restricted securities" may find it difficult – if not impossible – to resell such Common Shares and/or Warrants over the facilities of any Canadian stock exchange on which the Common Shares and/or Warrants may then be listed. It remains unclear what impact, if any, this and any future actions among market participants in the United States will have on the ability of U.S. residents to resell any Common Shares and/or Warrants that they may acquire in open market transactions. Our understanding is that all U.S. brokers must use a clearing service to facilitate resale transactions over Canadian securities exchanges. Some U.S. brokers have self-clearing capabilities; those that do not must use third party clearing firms. Furthermore, U.S. holders of the Company's Common Shares and/or Warrants may have difficulty or be unable to open a brokerage account with a U.S. broker, which may restrict such holder's ability to trade its Common Shares and/or Warrants in a timely manner.</p> <p><i>Dividends</i></p> <p>We intend to retain earnings, if any, to finance the growth and development of our business and do not intend to pay cash dividends on the Common Shares in the foreseeable future. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions, and other factors.</p> <p><i>Dilution</i></p>

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		<p>Future sales or issuances of equity securities could decrease the value of the Common Shares and/or Warrants, dilute shareholders' voting power and reduce future potential earnings per Share. We intend to sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance our operations, development, exploration, acquisitions or other projects. We cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares and/or Warrants. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares and/or Warrants. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in earnings per Share.</p> <p><i>Transactions Engaged in by our Largest Shareholders, our Directors or Officers</i> From time to time our directors and executive officers may sell Common Shares and/or Warrants on the open market. These sales will be publicly disclosed in filings made with securities regulators. In the future, our directors and executive officers may sell a significant number of Common Shares and/or Warrants for a variety of reasons unrelated to the performance of our business. Our shareholders may perceive these sales as a reflection on management's view of the business and result in some shareholders selling their Common Shares and/or Warrants. These sales could cause the market price of our Common Shares and/or Warrants to drop.</p> <p><i>The Company is a holding company</i> The Company is a holding company and the vast majority of its assets are the capital stock of its subsidiaries. As a result, investors in the Company are subject to the risks attributable to its subsidiaries. As a holding company, the Company conducts substantially all of its business through its subsidiaries, which generate substantially all of its revenues. Consequently, the Company's cash flows and ability to complete current or desirable future enhancement opportunities are dependent on the earnings of its subsidiaries and the distribution of those earnings to the Company. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing their debt. In the event of a bankruptcy, liquidation or reorganization of any of the Company's material subsidiaries, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of those subsidiaries before the Company.</p> <p>Because the use of cannabis is illegal under federal law, many courts have denied cannabis businesses bankruptcy protections, thus making it very difficult for lenders to recoup their investments in the cannabis industry in the event of a bankruptcy. If the Company were to experience a bankruptcy, there is no guarantee that U.S. federal bankruptcy protections would be available to the Company's United States operations, which would have a material adverse effect on the Company, its lenders and other stakeholders.</p> <p><i>Reliance on International Advisors and Consultants</i></p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>The legal and regulatory requirements in the foreign countries in which the Company operates with respect to the cultivation and sale of cannabis, banking systems and controls, as well as local business culture and practices, differ from those in Canada. The Company's officers and directors must rely, to a great extent, on local legal counsel and consultants in order to keep apprised of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist with governmental relations. The Company must rely, to some extent, on those members of management and the board of directors who have previous experience working and conducting business in these countries, if any, in order to enhance its understanding of and appreciation for the local business culture and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of the cultivation and sale of cannabis as well as in respect of banking, financing, labour, litigation and tax matters in these jurisdictions. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond its control. The impact of any such changes may adversely affect the Company's business.</p> <p><i>Risks related to potential changes to determining Foreign Private Issuer status in the United States</i></p> <p>The transactions contemplated by the Reorganization were structured so that the Company would be a Foreign Private Issuer as defined in Rule 405 under the U.S. Securities Act and Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), following completion of the Reorganization. The term 'Foreign Private Issuer' is defined as any non-U.S. corporation, other than a foreign government, <i>except</i> any issuer meeting the following conditions:</p> <p>(a) more than 50 percent of the outstanding voting securities of such issuer are, directly or indirectly, held on record by residents of the United States; and</p> <p>(b) any one of the following:</p> <p>(i) the majority of the executive officers or directors are United States citizens <i>or</i> residents, or</p> <p>(ii) more than 50 percent of the assets of the issuer are located in the United States, or</p> <p>(iii) the business of the issuer is administered principally in the United States.</p> <p>The term 'held of record' is defined by Rule 12g5-1 under the Exchange Act. Generally speaking, the holder identified on the record of security holders is considered as the record holder.</p> <p><i>Risks related to the Company's loss of Foreign Private Issuer status in the United States</i></p> <p>The Company is expected to be a Foreign Private Issuer. If, as of the last business day of the Company's second fiscal quarter for any year, more than 50% of the Company's outstanding voting securities (as determined under Rule 405) are directly or indirectly held of record by residents of the United States, <i>and</i> (i) the majority of the Company's executive officers or directors are United States citizens or residents, <i>or</i> (ii) more than 50 percent of the assets of the Company are located in the United States, <i>or</i> (iii) the business of the Company is administered principally in the United States, then the Company will no longer meet the definition of a Foreign Private Issuer, which may have adverse consequences on the Company's ability to raise capital in private placements or Canadian prospectus offerings. In addition, the loss of the</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>Company's Foreign Private Issuer status may likely result in increased reporting requirements and increased audit, legal and administration costs. These increased costs may significantly affect the Company's business, financial condition and results of operations.</p> <p>Risks Relating to Emerging Markets</p> <p><i>Investments in emerging markets are subject to heightened risk as compared to investments in developed markets</i></p> <p>Emerging market investment generally poses a greater degree of risk than investment in more mature developed markets because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.</p> <p>We intend to derive an increasing portion of our revenue from emerging markets (such as South America and Eastern Europe). Our operations in these countries are exposed to political and economic risk, including risks relating to change in government policy. We are accordingly subject to a number of risks stemming from exchange-rate controls, change in exchange rates, inflation, problems with the repatriation of foreign earnings, dividends and investment capital (which would hinder the payment of dividends or other distributions to shareholders), as well as political instability in these countries.</p> <p>Global economic crises could negatively affect investor confidence in emerging markets or the economies of countries in South America or Eastern Europe. Such events could materially and adversely affect the Company's business, financial condition and results of operations.</p> <p>In addition, we may find ourselves unable to defend our rights appropriately before the courts of these countries, particularly within the framework of litigation with the state or with state-controlled entities.</p> <p>Investments in emerging markets are subject to heightened risks and the Company may be adversely affected by, among other things, the following risks associated with emerging market economies:</p> <ul style="list-style-type: none"> • political and social instability; • government involvement, including, but not limited to, currency controls and risk of expropriation; • securities markets that are less liquid and which operate under different trading and market regulations; • difficulties in enforcing contractual rights; • currency volatility; • risk of high inflation; • infrastructure issues; • arbitrary and sudden changes to laws; • corruption, bribery, civil arrest, all of which may negatively impact and disrupt business operations; • greater susceptibility to commodity prices; and • greater susceptibility to the economic performance of trading partners.

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>The systems of corporate governance to which companies in emerging markets are subject may be less advanced than that to which Canadian issuers are subject. Therefore, shareholders in such companies may not receive many of the protections available to shareholders in Canada.</p> <p>Securities laws in many emerging market countries are relatively new and unsettled. In addition, laws regarding foreign investment in emerging market securities, securities regulation, title to securities and shareholder rights may change quickly and unpredictably. Further, the enforcement of systems of taxation at federal, regional and local levels in emerging market countries may be inconsistent and subject to sudden change.</p> <p>A crisis in other emerging markets countries could dampen investor enthusiasm for securities of issuers with emerging market operations. Investments in foreign markets also carry potential exposure to the risk of political upheaval, acts of terrorism and war, and/or expropriation by governments; all of which could have an adverse impact on the value of the securities.</p> <p><i>Ability to Exercise Statutory Rights and Remedies under Canadian Securities Laws</i></p> <p>The Company is incorporated in the province of Ontario in Canada. However, the Company's subsidiaries are organized under the laws of jurisdictions outside of Canada and certain of the officers and directors of the Company and its subsidiaries reside outside of Canada. This may limit an investor's ability to exercise statutory rights and remedies under Canadian laws. In particular, a Canadian court may determine that it does not have jurisdiction over a claim by an investor against one of the Company's subsidiaries and/or its officers and directors, or that another international jurisdiction is the more convenient forum to adjudicate the claim.</p> <p>Additionally, it may be difficult for an investor, or any other person or entity, to assert a claim based on Canadian laws in original actions instituted in an international jurisdiction. Courts in such international jurisdiction may refuse to hear a claim based on a violation of Canadian laws on the grounds that the international jurisdiction is not the most appropriate forum in which to bring such a claim. Even if a court in such international jurisdiction agrees to hear a claim, it may determine that the law in such international jurisdiction and not Canadian law is applicable to the claim. If a Canadian law is found to be applicable, the content of applicable Canadian law must be proved as a fact which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the relevant international jurisdiction.</p> <p><i>Difficulty in Enforcement of Judgments</i></p> <p>We are a holding company and the majority of our assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company's subsidiaries, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws. Investors may be effectively prevented from pursuing remedies against the Company's subsidiaries under Canadian securities laws or otherwise.</p> <p>The Company has subsidiaries incorporated in Colombia, Brazil, and Australia. Certain directors and officers, including our Chief Executive Officer, Chief Financial Officer and Chief Operating Officer, reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who</p>

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		<p>are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of our directors or officers for violations of Canadian securities laws or otherwise, it may not be possible to enforce such judgment against those directors and officers not resident in Canada. Additionally, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in Colombia, Brazil, and Australia.</p> <p>Courts in these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws or otherwise on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim. Even if a court in an international jurisdiction agrees to hear a claim, it may determine that the local law, and not Canadian law, is applicable to the claim. If Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by the law in the international jurisdiction.</p> <p>Risks Relating to Taxes</p> <p><i>U.S. Domestic Corporation for U.S. Federal Income Tax Purposes</i></p> <p>As a result of the Reorganization, the Company will be treated as a U.S. domestic corporation for U.S. federal income tax purposes under Section 7874(b) of the Internal Revenue Code of 1986, as amended (the “Code”). As a result, the Company will be subject to U.S. income tax on its worldwide income and that any dividends paid by the Company to Non-U.S. Holders (as defined in the discussion under “<i>Certain United States Federal Income Tax Considerations — Non-U.S. Holders</i>”) will be subject to U.S. federal income tax withholding at a 30% rate or such lower rate as provided in an applicable treaty. The Company will continue to be treated as a U.S. domestic corporation for U.S. federal tax purposes.</p> <p>In addition, Section 382 of the Code contains rules that limit for U.S. federal income tax purposes the ability of a corporation that undergoes an “ownership change” to utilize its net operating losses (and certain other tax attributes) existing as of the date of such ownership change. Under these rules, a corporation is treated as having had an “ownership change” if there is more than a 50% increase in stock ownership by one or more “five percent shareholders,” within the meaning of Section 382 of the Code, during a rolling three-year period. The Company does not have any net operating loss carry forwards or research and development credit carry forwards as of December 31, 2017 that would be subject to Section 382 of the Code.</p> <p>Furthermore, the Company will be subject to Canadian income tax on its worldwide income. Consequently, it is anticipated that the Company will be liable for both U.S. and Canadian income tax, which could have a material adverse effect on its financial condition and results of operations.</p> <p>Because the Common Shares are treated as shares of a U.S. domestic corporation, the U.S. gift, estate and generation-skipping transfer tax rules generally apply to a Non-U.S. Holder of Common Shares.</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p><i>Withholding Tax on Dividends</i></p> <p>Dividends received by holders (defined below) of Common Shares who are residents of Canada for purposes of the Tax Act will be subject to U.S. withholding tax. A foreign tax credit under the Tax Act in respect of such U.S. withholding taxes may not be available to such holder. See “<i>Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada — Dividends on Common Shares</i>”.</p> <p>Dividends received by Non-Resident Holders (defined below) of Common Shares who are U.S. Holders will not be subject to U.S. withholding tax but will be subject to Canadian withholding tax. It is anticipated that the Company will be considered to be a U.S. domestic corporation for U.S. federal income tax purposes. As such, dividends paid by the Company will be characterized as U.S. source income for purposes of the foreign tax credit rules under the Code. See “<i>Certain United States Federal Income Tax Considerations</i>”.</p> <p>A holder that is both a Non-Resident Holder (defined below) and a Non-U.S. Holder may be subject to (a) Canadian withholding tax (see “<i>Certain Canadian Federal Income Tax Considerations</i>”), and (b) United States withholding tax (see “<i>Certain United States Federal Income Tax Considerations</i>”), on dividends received on the Common Shares. Non-Resident Holders (defined below) and Non-U.S. Holders should consult their own tax advisors with respect to the availability of any foreign tax credits or deductions in respect of any Canadian or United States withholding tax applicable to dividends on the Common Shares.</p> <p>The foregoing discussion is subject in its entirety to the summaries set forth in “<i>Certain Canadian Federal Income Tax Considerations</i>” and “<i>Certain United States Federal Income Tax Considerations</i>”.</p> <p><i>U.S. Tax Classification – United States Real Property Holding Corporation</i></p> <p>The Company is treated as a U.S. domestic corporation for U.S. federal income tax purposes under Section 7874 of the Code. As a U.S. domestic corporation for U.S. federal income tax purposes, the taxation of the Company’s Non-U.S. Holders upon a disposition of Common Shares generally depends on if the Company is classified as a United States real property holding corporation (a “USRPHC”) under the Code. The Company believes that it is not currently, and has never been, a USRPHC. However, the Company has not sought and does not intend to seek formal confirmation of its status as a non-USRPHC from the Internal Revenue Service (“IRS”). If the Company ultimately is determined by the IRS to constitute a USRPHC, its Non-U.S. Holders may be subject to U.S. federal income tax on any gain associated with the disposition of the Common Shares. See “<i>Certain United States Federal Income Tax Considerations</i>”.</p> <p><i>U.S. Federal Income Tax Treatment of the Company</i></p> <p>Code Section 280E, as amended, prohibits businesses from deducting certain expenses associated with trafficking controlled substances (within the meaning of Schedule I and II of the Controlled Drugs and Substances Act). IRS has invoked Code Section 280E in tax audits of various cannabis businesses in the U.S. that are permitted to operate under applicable state laws. Although the IRS issued a</p>

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		<p>clarification allowing the deduction of certain expenses, the scope of such items is interpreted very narrowly and the bulk of operating costs and general administrative costs are not permitted to be deducted. While there are currently several cases pending before various administrative and federal courts challenging these restrictions, there is no guarantee that these courts will issue an interpretation of Code Section 280E favorable to cannabis businesses.</p> <p>U.S. states and localities may impose excise, cultivation, sales and other similar taxes on cannabis businesses or their customers. For example, California law imposes an excise tax to be paid by the end-consumer and the dispensary; a cultivation tax also must be paid by cultivators on all harvested cannabis that enters the commercial market, in addition to any sales and use tax imposed at the state and local level. The tax regime that is applicable to the Company's business will have a direct impact on its operations and profitability. In extreme cases, the applicable tax regime may make pursuing the Company's expected business plan unprofitable.</p>
18	<p>Promoters</p> <p>18.1 Identity of promoters, shares held and assets acquired from or transferred to the Company by promoters</p>	Not applicable
	18.2 Promoter subject to cease trade order, bankruptcy, penalties or sanctions	Not applicable
19	<p>Legal Proceedings</p> <p>19.1 Material legal proceedings</p>	<p>1. On or about December 13, 2019, Consortium Holdings, LLC and Spirit Lake Road Nursery, LLC, indirect wholly-owned subsidiaries of the Issuer, were named as defendants in a lawsuit filed by Uriah's Urban Farms, Inc., a former consultant, in the Eleventh Judicial Circuit in and for Miami-Dade County, Florida. The complaint alleges breach of contract by the defendants. The defendants dispute the allegations set forth in the complaint and are vigorously defending themselves. However, given the inherent unpredictability of litigation and the fact that this litigation is still in its very early stages, the Issuer is unable to predict with certainty the outcome of this litigation or reasonably estimate a possible loss or range of loss, if any, associated with this litigation at this time.</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>2. On November 6, 2019, the American Arbitration Association received a Demand for Arbitration filed by Woodmere Health Partners, LLC (“Woodmere”), a former member in Consortium Health Partners, LLC (“CHP”), to determine its rights in approximately 4.8m common shares of the Issuer. Woodmere received certain rights to that stock, subject to vesting requirements, in exchange for converting its membership interests in CHP into units of Consortium Holdings, LLC prior to the Issuer’s IPO. The common shares of the Issuer were subject to vesting requirements that were not satisfied, such as the receipt of a clinical registrant license in Pennsylvania. The Issuer is vigorously defending itself and does not believe that the outcome will have a material impact on the financial condition of the Issuer.</p> <p>3. On September 3, 2019, the Issuer received service of a complaint filed on August 22, 2019 in the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida by Querrey Group, LLC, Querrey Industrial Services, LLC d/b/a Querrey Group, LLC, Groundup Engineering, LLC d/b/a/ Querrey Group, LLC and Otter Creek Builders, LLC d/b/a Querrey Group, LLC. The complaint names Consortium Inc. along with Consortium Holdings LLC, Jose Javier Hidalgo, Patrick Maloy and Jeffrey Reath as defendants. The suit arises out of a breach of contract claim on behalf of the plaintiffs and claims damages in excess of US\$2M. The Company is vigorously defending the lawsuit. However, given the inherent unpredictability of litigation and the fact that this litigation is still in its very early stages, the Company is unable to predict with certainty the outcome of litigation or reasonably estimate a possible loss or range of loss, if any, associated with this litigation at this time.</p>
	19.2 Regulatory actions	None.
20	<p>Interest of Management and Others in Material Transactions</p> <p>20.1 Management interests in material transactions</p>	<p>For purposes of the following discussion, “Informed Person” means (a) a Director or Executive Officer of the Corporation; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than ten percent (10%) of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.</p> <p>Except as disclosed below, elsewhere herein or in the notes to the Corporation’s financial statements for the financial year ended December 31, 2019, none of:</p> <ul style="list-style-type: none"> (a) the Informed Persons of the Corporation; (b) a proposed nominee for election as a Director of the Corporation; or (c) any associate or affiliate of the foregoing persons, <p>has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.</p>

	Information Required by Form 2A Listing Statement	Issuer Response
		<p>Private Placement On February 7, 2020, the Corporation completed a non-brokered private placement offering of 10,189,758 units (each a “Unit”, and collectively, “Units”), at a price of \$0.45 per Unit, for aggregate gross proceeds of approximately \$4.6 million. Each Unit is comprised of one (1) Common Share and one (1) Common Share purchase warrant (each, a “Warrant”, and collectively, “Warrants”), entitling the holder thereof to acquire one (1) additional Common Share (each, a “Warrant Share”) at a price of \$0.45 per Warrant Share for a period of thirty-six (36) months from the date of issuance of the Units, subject to the Accelerated Exercise Period (as hereinafter defined). In the event that, beginning on the date that is four (4) months and one (1) day following the date of issuance of the Units, the daily volume-weighted average trading price of the Common Shares on a recognized Canadian stock exchange is greater than \$0.90 for twenty (20) consecutive trading days (each, a “Trigger Event”), the Corporation will have the right (but not the obligation) to, within ten (10) calendar days of any Trigger Event, deliver a notice to each of the subscribers for Units (each, a “Subscriber”) advising such Subscriber of the Trigger Event, in which case such Subscriber will have a period of thirty (30) days following the date of such notice (the “Accelerated Exercise Period”) to exercise the Warrants and any unexercised Warrants shall automatically expire at the end of the Accelerated Exercise Period.</p> <p>John McKimm, Director, participated in the amount of \$43,110; and Neal Hochberg, Director, participated in the amount of \$100,000.</p> <p>Return of Shares On November 6, 2019, the Corporation reached an agreement with Jose Hidalgo (former Director and Chief Executive Officer), Henry Batievsky (former Director and current Chief Financial Officer), Patrick Maloy (former Director and Chief Operating Officer), and Jeffrey Reath (former Director, Corporate Secretary and Executive Vice President Investor Relations) for the return of approximately 28 million Shares, in the aggregate, representing approximately 15 percent of the Corporation’s outstanding shares on an as-converted basis. The executives agreed to transfer these shares for nominal consideration, at the Special Committee’s discretion, to the Corporation for cancellation or to assist in the recapitalization of the Corporation. The Corporation expects that these share transfers will be completed in the near term.</p>
21	<p>Auditors, Transfer Agents and Registrars</p> <p>21.1 Name and address of the auditor for the Company</p> <p>21.2 Name and location of transfer agent for each class of securities</p>	<p>MNP LLP 50 BURNHAMTHORPE ROAD WEST, SUITE 900 MISSISSAUGA, ON L5B 3C2</p> <p>The Company’s registrar and transfer agent for its Common Shares, Proportionate Voting Shares and Warrants is Odyssey Trust located in Calgary, Alberta.</p>

	Information Required by Form 2A Listing Statement	Issuer Response
22	<p>Material Contracts</p> <p>22.1 Particulars for each material contract</p>	<ol style="list-style-type: none"> 1. Membership Interest Purchase Agreement dated August 20, 2018 between Consortium LLC and Michele and Robert Shipe regarding the acquisition of all of the membership interests of Spirit Lake, as more particularly described in the Company's Prospectus dated March 15, 2019. 2. Transaction Agreement dated August 13, 2018 between Consortium Florida and CanEndeavour LLC regarding the acquisition of units of Knox Servicing held by CanEndeavour LLC in exchange for cash and units of Consortium LLC ("Smith Transaction Agreement"). Amendment No. 1 dated January 1, 2019 to Smith Transaction Agreement (including accompanying promissory note, security agreement, guaranty, Dispensary Termination Agreement and Sage Consulting Agreement) which extends the terms of repayment of the promissory note under the Smith Transaction Agreement and terminates the revenue sharing arrangement with Sage, Investing, LLC. This agreement was amended and restated on January 16, 2020 to provide for the restructuring of the Company's obligation under the agreement. The aggregate principal amount of the amended note is \$12,933,290.02, which includes all accrued interest from the date of the Note to December 16, 2019 converted into principal. The Amended Note is exchangeable into common shares of the Company. 3. Dispensary Permit in Pennsylvania renewed on June 26, 2018, as more particularly described in the Company's Prospectus dated March 15, 2019. 4. In Colombia, the License from the Ministry of Health (Min. Salud) was granted on July 19, 2018 and the License from the Ministry of Justice was granted on August 2, 2018 with an effective date of July 27, 2018; as more particularly described in the Company's Prospectus dated March 15, 2019. 5. Consulting Agreement with MXY Holdings LLC. 6. Dispensing Organization License issued by the Texas Department of Public Safety, Office of Compassionate Use 7. Florida Medical Marijuana Treatment Center License
	22.2 Copies of co-tenancy, unitholders' or limited partnership agreements	Not applicable

	Information Required by Form 2A Listing Statement	Issuer Response
23	<p>Interest of Experts</p> <p>23.1 Direct or indirect interests of experts in the property of the Company or a Related Party</p> <p>23.2 Direct or indirect interests of experts in the securities of the Company or a Related Party</p> <p>23.3 Statement to the effect that ownership interest is less than 1%</p> <p>23.4 Disclosure that expert is, or is expected to be, appointed as a director or officer of the Issuer</p>	<p>Harris + Harris LLP does not have, directly or indirectly, an interest in the property of the Company.</p> <p>The independent auditors of the Company and for the financial statements forming part of this Listing Statement are MNP LLP, who directly or indirectly do not have any interest in the property of the Company.</p> <p>Harris + Harris LLP does not have, directly or indirectly, an interest in the securities of the Company.</p> <p>MNP LLP does not have, directly or indirectly, an interest in the securities of the Company.</p> <p>As of the date of this Listing Statement, Harris + Harris LLP beneficially owns, directly or indirectly, in the aggregate, less than 1% of the outstanding securities of the Company.</p> <p>As of the date of this Listing Statement, MNP LLP beneficially owns, directly or indirectly, in the aggregate, less than 1% of the outstanding securities of the Company.</p> <p>Not applicable</p>

	Information Required by Form 2A Listing Statement	Issuer Response
24.	Other Material Facts 24.1 Describe other material facts not disclosed elsewhere	Not applicable
25.	Financial Statements 25.1 Audited financial statements including auditor's report	See Schedule "A"
	25.2 Additional information for issuers requalifying for listing following a fundamental change	Not applicable
	Certificate of the Issuer	See Schedule "C"

SCHEDULE "A" – Consolidated Financial Statements for the years ended December 31, 2019 and 2018 & Selected Financial Information and *Management's Discussion and Analysis

SCHEDULE "B" – Form 2A, Section 14 – Capitalization Tables

SCHEDULE "C" – Certificate of Issuer

SCHEDULE B

14. CAPITALIZATION TABLES

14.1 The following chart sets out for the Issuer's Common Shares listed on the Exchange:

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted) ⁽²⁾	% (non-diluted)	% (fully diluted)
<u>Public Float</u>				
Total Outstanding (A)	90,124,401	193,495,053	100%	100%
Held by Related Persons or employees of the Issuer or Related Persons of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)				
	8,965,965	51,373,295	10%	27%
Total Public Float (A-B)	81,158,436	142,122,166	90%	73%
<u>Freely Tradable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C) Total Tradable Float (A-C)				
	8,739,455	8,739,455	10%	5%
	81,384,946	184,756,006	90%	95%

CANSORTIUM INC. - COMMON TIUM.U

SHR/PV RANGE	# HOLDERS		SHARES/PV HELD	
> 0 - 99	10	2.79%	212	0.00%
> 99 - 100	0	0.00%	0	0.00%
> 100 - 499	186	51.81%	38,263	0.04%
> 499 - 999	0	0.00%	0	0.00%
> 999 - 1,999	7	1.95%	10,089	0.01%
> 1,999 - 2,999	5	1.39%	13,551	0.01%
> 2,999 - 3,999	2	0.56%	7,341	0.01%
> 3,999 - 4,999	5	1.39%	20,996	0.02%
> 4,999 - *Up*	142	39.55%	100,756,371	99.91%
	357		100,846,823	

14.2 The following chart sets out details of securities of the Issuer convertible or exchangeable into any class of listed securities:

Share Capital

As of December 31, 2019, the share capital of the Company is comprised of 90,124,401 common shares, 10,337,106 proportionate voting shares (each proportionate voting share is convertible into ten common shares), 31,244,913 warrants and convertible debt allotments and 8,041,039 stock options.

Earnings per share have been calculated using the weighted average number of shares outstanding during a period on a total outstanding and fully dilutive basis. The potential conversion of warrants, convertible debt and stock options into common shares, have a dilutive effect on earnings per share. The weighted average number of basic and diluted shares are presented in the table below:

	December 31, 2019	December 31, 2018
Weighted average number of shares - basic	185,593,303	136,658,796
Weighted average warrants	24,339,927	833,047
Weighted average convertible debt allotment	12,355,276	-
Weighted average options	1,181,924	-
Weighted average number of shares - diluted	223,470,430	137,491,843

14.3 The following are details of listed securities reserved for issuance that are not included in section 14.2:

None.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Consortium Inc. hereby applies for the listing of the above-mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Consortium Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at this 19th day of June, 2020.

(signed) Neal Hochberg

Neal Hochberg

Director (Acting Chief Executive
Officer)

(signed) Henry Batievsky

Henry Batievsky

Chief Financial Officer and Promoter